HB 3375 A STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

Prepared By: Beth Reiley, LPRO Analyst
Meeting Dates: 5/13, 5/25

WHAT THE MEASURE DOES:

Establishes goal of planning for development of three gigawatts of commercial scale floating offshore wind energy projects within federal waters off Oregon Coast by 2030 in a way that maximizes benefits and minimizes conflicts with ecosystem and ocean users. Establishes policy of state, consistent with applicable federal law that:

- Federal planning or permitting process for offshore energy research and development in federal waters off the Oregon coast and for any related transmission and other facilities, particularly those that transverse Oregon's territorial sea, to adequately consider the prompt decommissioning of any offshore facility after permanent cessation of use of the facility; and
- Adequate consideration that includes removal or decommissioning of anchors, cables, and any other equipment related to the facility in a manner that will serve to avoid future conflicts between the equipment and fishing operations conducted by persons who hold licenses issued pursuant to the commercial fishing law.

Requires Oregon Department of Energy (ODOE) to: 1) conduct a literature review on the benefits and challenges of integrating up to three gigawatts of floating offshore wind energy into Oregon's electric grid by 2030; 2) gather input and consult with other interested or appropriate state, regional, and national entities on the effects of integrating up to three gigawatts of floating offshore wind energy on reliability, state renewable energy goals, jobs, equity, and resilience; and 3) hold no less than two public remote meetings with interested stakeholders to provide a summary of the literature review and consultation required by this section and to gather feedback from stakeholders,including the United States Department of Defense, on the benefits and challenges of integrating up to three gigawatts of floating offshore wind energy into Oregon's electric grid. Requires ODOE to provide a summary of the key findings from literature review and consultation, including opportunities for future study and engagement, in a report to the appropriate interim committees of the Legislative Assembly no later than September 15, 2022. Sunsets literature review and report requirements on January 2, 2023. Takes effect on 91st day following adjournment sine die.

- Ayes, 56; Excused, 4--Hudson, Leif, Nearman, Smith G.
- Minimal Fiscal Impact
- Revenue Impact: No Revenue Impact

ISSUES DISCUSSED:

- Current federal process
- Oregon's transmission capacity
- Impacts on ratepayers
- Offshore wind energy development in other areas
- Benefit of energy resilience

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Wind energy is a rapidly growing source of renewable energy in the United States. Offshore wind projects have the potential to expand the United States' amount of wind power available and provide states with economic

opportunities. Only Rhode Island has an operating offshore wind installation, but more than 25 gigawatts of offshore wind projects are currently being developed in the country. Oregon's wind energy industry has developed mainly in the central and eastern end of the Columbia River and in northeastern Oregon. Developments have been proposed in other areas with good potential wind resources, including the Cascades, along the Oregon coast, and in southeastern Oregon.

House Bill 3375 A would establish the policy position of the State that any federal planning or permitting process for offshore wind energy research and development in federal waters off the Oregon coast would adequately consider the prompt decommissioning of any offshore facility after permanent cessation of use of the facility. The measure would require the Oregon Department of Energy to conduct a literature review and gather feedback from stakeholders, including the United States Department of Defense, on the benefits and challenges of integrating up to three gigawatts of floating offshore wind energy into Oregon's electric grid by 2030.