

## HB 3378 A STAFF MEASURE SUMMARY

### House Committee On Climate, Energy, and Environment

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**Action Date:** 04/03/23

**Action:** Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

**Vote:** 10-0-0-0

**Yeas:** 10 - Andersen, Helm, Kropf, Levy B, Levy E, Marsh, Osborne, Owens, Pham K, Wallan

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Erin Pischke, LPRO Analyst

**Meeting Dates:** 3/29, 4/3

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#### WHAT THE MEASURE DOES:

Authorizes counties—in planning for and developing energy resilience and being prepared, in the event of major grid disruption, to maintain basic services and functions—to develop and adopt an energy resilience plan; and incorporate the energy resilience plan into the county’s applicable natural hazard mitigation plan. Establishes requirements for energy resilience plan. Requires counties to consult with representatives from local environmental justice communities when identifying and mapping communities that experience social vulnerabilities. Requires a public utility that is operating or serving customers within the boundaries of a county that is developing an energy resilience plan to use reasonable efforts to assist with and comply with requests from the county for information regarding energy infrastructure. Requires Oregon Department of Energy (ODOE) to establish a program for awarding grants to counties to cover the costs of developing energy resilience plans. Establishes grant criteria and eligible entities. Requires ODOE to establish grant criteria and, no later than September 15, 2025, to submit a report to the interim committees of the Legislative Assembly related to energy. Sunsets grant program and reporting requirement on January 2, 2026. Appropriates to ODOE, out of the General Fund, \$2 million to be used to provide grants. Takes effect on 91st day following adjournment sine die.

#### ISSUES DISCUSSED:

- Eligible uses of grant funds
- Voluntary nature of energy resilience planning
- Definition of microgrid
- Microgrid jurisdiction for operating independently
- Examples of microgrids in other states

#### EFFECT OF AMENDMENT:

Replaces the measure.

#### BACKGROUND:

House Bill 2021 (2021) directed the Oregon Department of Energy (ODOE) to convene a work group to examine opportunities to encourage development of small-scale and community-based renewable energy projects in Oregon that contribute to economic development and local energy resiliency. In 2022, ODOE issued its study on the work group’s findings. The work group found that small-scale energy projects can play a role in “improving equitable access to clean energy, making more efficient use of state land resources, supporting community energy resilience, and increasing local economic performance.”

ODOE’s report also provided the following definition of “resilience”: “Resilience is the ability of power systems to withstand and rapidly restore power delivery to customers following non-routine disruptions of severe impact or duration. Resilience includes the ability to withstand and recover from deliberate attacks, accidents, or naturally

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occurring events such as earthquakes or catastrophic wildfires."

House Bill 3378 A authorizes counties to develop and adopt an energy resilience plan; requires ODOE to establish a program for awarding grants to counties to cover the costs of developing energy resilience plans; and appropriates \$2 million to ODOE to be used to provide grants.