

A-Engrossed House Bill 3181

Ordered by the House April 10
Including House Amendments dated April 10

Sponsored by Representative MARSH; Representatives GAMBA, OWENS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Directs State Department of Energy and Department of Land Conservation and Development to convene work group to examine barriers, opportunities and other issues related to renewable energy and transmission project siting in Oregon. Directs departments to submit report on work group's findings and recommendations to interim committee of Legislative Assembly related to energy no later than September 15, 2024.]

[Appropriates moneys to departments, out of General Fund, for purposes of convening work group and carrying out duties related to examination and reporting.]

Directs State Department of Energy and Department of Land Conservation and Development to establish Finding Opportunities and Reducing Conflict in Energy Siting process to identify locations best suited to site renewable energy or transmission development and ways to streamline or expedite siting process for renewable energy or transmission development. Establishes Finding Opportunities and Reducing Conflict in Energy Siting Advisory Committee to support process.

Requires departments to contract with third party to report to interim committees of Legislative Assembly on work and recommendations of advisory committee not later than December 31, 2024.

Requires State Department of Energy to maintain and periodically update renewable energy siting assessment tool.

Permits each county in eastern Oregon to adopt, as part of county's comprehensive plan, mapped inventory of areas best suited for siting renewable energy facilities or transmission development corridors and to amend comprehensive plan or land use regulations to allow for expedited review of siting or development on inventoried lands.

Directs Department of Land Conservation and Development to provide financial assistance to county and tribal governments to participate in advisory committee, update resource inventories and engage in other actions that support renewable energy or transmission development.

Directs State Department of Energy to provide financial and technical assistance to public bodies, tribal governments and community organizations to participate in energy facility siting review process, Energy Facility Siting Council rulemaking process and advisory committee.

Appropriates moneys to departments from General Fund for purposes of Act.

[Takes effect on 91st day following adjournment sine die.]

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to renewable energy development; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

FINDING OPPORTUNITIES AND REDUCING CONFLICT IN ENERGY SITING

SECTION 1. Siting process. (1) As used in this section, "ESEE impacts" means economic, social, environmental and energy impacts resulting from a permitted land use.

(2) The State Department of Energy and the Department of Land Conservation and De-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 velopment shall establish the Finding Opportunities and Reducing Conflict in Energy Siting
2 process. The purpose of the Finding Opportunities and Reducing Conflict in Energy Siting
3 process shall be to:

4 (a) Identify, based on the criteria described under subsection (3) of this section, the
5 characteristics, sizes and locations of geographic areas in this state where:

6 (A) Siting renewable energy or transmission development is best suited for meeting the
7 state's clean energy goals; and

8 (B) Encouraging and incentivizing renewable energy or transmission development is most
9 appropriate;

10 (b) Identify factors that help minimize the geographic area needed for and impact of
11 transmission development; and

12 (c) Identify regulatory or policy changes or resources to streamline or expedite the pro-
13 cess for siting renewable energy or transmission development while ensuring the process
14 takes into consideration:

15 (A) Other land uses; and

16 (B) Communities located adjacent to the geographic area under consideration for
17 renewable energy or transmission development.

18 (3) In identifying the characteristics, sizes and locations of geographic areas in this state
19 under subsection (2)(a) of this section, the following criteria shall be used:

20 (a) Site characteristics, resource potential, current and future transmission access and
21 locations for potential interconnection; and

22 (b) Efforts to avoid, minimize or mitigate negative ESEE impacts and maximizing posi-
23 tive ESEE impacts on natural resources, forestry, habitat, agriculture, community needs and
24 historic, cultural or archeological resources.

25 (4) The State Department of Energy and the Department of Land Conservation and De-
26 velopment may enter into intergovernmental agreements under ORS chapter 190 with other
27 state agencies, tribal governments and counties, for the purposes of:

28 (a) Supporting the State Department of Energy and the Department of Land Conserva-
29 tion and Development in carrying out the provisions of this section;

30 (b) Furnishing information or technical assistance needed to carry out the Finding Op-
31 portunities and Reducing Conflict in Energy Siting process;

32 (c) Participating in the Finding Opportunities and Reducing Conflict in Energy Siting
33 Advisory Committee established under section 2 of this 2023 Act;

34 (d) Providing feedback on the membership and work of the Finding Opportunities and
35 Reducing Conflict in Energy Siting Advisory Committee established under section 2 of this
36 2023 Act;

37 (e) Identifying opportunities to streamline permitting and review processes across and
38 between state agencies; and

39 (f) With regard to tribal governments, consulting on:

40 (A) How best to protect natural resources and historical, cultural or archeological re-
41 sources without revealing sensitive information; and

42 (B) How to improve and support tribal governments with regard to renewable energy and
43 transmission development.

44 **SECTION 2. Advisory committee.** (1) As used in this section:

45 (a) "ESEE impacts" means economic, social, environmental and energy impacts resulting

1 from a permitted land use.

2 (b) "Public body" has the meaning given that term in ORS 174.109.

3 (c) "Transmission development corridor" means an extended geographic area:

4 (A) Through which a transmission line passes to connect areas of current or future
5 renewable energy generation with areas of current or future energy demand; and

6 (B) That is selected in order to avoid, minimize or mitigate negative ESEE impacts and
7 maximize positive ESEE impacts.

8 (2) The Finding Opportunities and Reducing Conflict in Energy Siting Advisory Commit-
9 tee is established for the purpose of supporting the Finding Opportunities and Reducing
10 Conflict in Energy Siting process established under section 1 of this 2023 Act.

11 (3) The State Department of Energy and the Department of Land Conservation and De-
12 velopment shall appoint the members of the advisory committee. In appointing members to
13 the advisory committee, the departments shall solicit and consider recommendations for
14 membership from:

15 (a) Public bodies;

16 (b) Tribal governments;

17 (c) Federal and state agencies;

18 (d) Energy, community and conservation advocates; and

19 (e) Individuals who have expertise in the energy or natural resources industries, includ-
20 ing renewable energy developers, utilities and agricultural producer associations.

21 (4) The membership of the advisory committee shall consists of, at a minimum:

22 (a) A representative from any state agency, tribal government or county that is a party
23 to an intergovernmental agreement entered into under section 1 (4) of this 2023 Act;

24 (b) At least one member who represents public bodies;

25 (c) At least one member who represents small-scale renewable energy developers;

26 (d) At least one member who represents large-scale renewable energy developers;

27 (e) At least one member who has expertise in community renewable energy development;

28 (f) At least one member who has expertise in renewable energy siting, policy or planning;

29 (g) At least one member who has expertise in transmission siting;

30 (h) At least one member who represents electric utilities, as defined in ORS 757.600;

31 (i) At least one member who represents the labor interests of the clean energy or
32 renewable energy workforce;

33 (j) At least one member who represents environmental justice communities, as defined
34 in ORS 469A.400, that are experiencing ESEE impacts from renewable energy or transmission
35 development;

36 (k) At least one member who represents owners of irrigated or dryland farmland or
37 rangeland;

38 (L) At least one member who has expertise in habitat conservation, preservation and
39 restoration;

40 (m) At least one member who has expertise in land and water use; and

41 (n) At least one member who has expertise in rural economic development.

42 (5) The advisory committee shall:

43 (a) Engage with and seek feedback from:

44 (A) Regional energy planning entities;

45 (B) The Energy Facility Siting Council;

- 1 **(C) The Environmental Justice Task Force, established under ORS 182.538;**
2 **(D) The Land Conservation and Development Commission; and**
3 **(E) Relevant federal agencies, including the United States Department of Defense, the**
4 **Bureau of Land Management and the Bonneville Power Administration;**
5 **(b) Review any renewable energy siting assessment tool used by the State Department**
6 **of Energy and identify missing or outdated data sets that should be added or updated;**
7 **(c) Review estimates of potential renewable energy generation for geographic areas in**
8 **this state and the land areas needed to meet state energy policies;**
9 **(d) Review potential ESEE impacts from distributed energy resources;**
10 **(e) Review studies and data regarding state energy trends;**
11 **(f) Identify factors that help minimize the area needed for and impact of transmission**
12 **development, including:**
13 **(A) Criteria for designating a geographic area a transmission development corridor;**
14 **(B) Reconductoring and upgrading existing transmission lines;**
15 **(C) Siting in existing rights of way; and**
16 **(D) Working with communities to avoid, minimize or mitigate negative ESEE impacts;**
17 **(g) Review a county’s comprehensive plan and inventory adopted under section 7 of this**
18 **2023 Act and:**
19 **(A) Identify themes and principles that are similar to themes and principles of other**
20 **counties’ comprehensive plans and inventories;**
21 **(B) Identify and consider cumulative impacts; and**
22 **(C) Provide feedback and make recommendations to the county regarding the county’s**
23 **comprehensive plan and inventory;**
24 **(h) Review existing mitigation processes and make recommendations to:**
25 **(A) Establish practices and adopt regulations to mitigation impacts by renewable energy**
26 **or transmission development on agricultural land;**
27 **(B) Establish and support best practices to mitigation impacts by renewable energy or**
28 **transmission development on fish and wildlife habitat in accordance with the policies de-**
29 **scribed under ORS 496.012 and 506.109;**
30 **(C) Support certainty around the siting process for renewable energy and transmission**
31 **development; and**
32 **(D) Identify characteristics and considerations of regional and local habitats that may**
33 **require specific mitigation practices;**
34 **(i) Identify:**
35 **(A) Regulatory barriers to renewable energy and transmission development that may**
36 **impede achieving state energy policies;**
37 **(B) How to streamline, align or expedite processes to overcome the regulatory barriers;**
38 **and**
39 **(C) How any changes to those processes may help avoid, minimize or mitigate negative**
40 **ESEE impacts and maximize positive ESEE impacts; and**
41 **(j) Recommend technical assistance resources to support county siting processes and the**
42 **engagement of public bodies, tribal governments and communities in the siting process for**
43 **renewable energy and transmission development.**
44 **(6) A majority of the members of the advisory committee constitutes a quorum for the**
45 **transaction of business.**

1 (7) Official action by the advisory committee requires the approval of a majority of the
2 members of the advisory committee.

3 (8) The advisory committee may adopt rules necessary for the operation of the advisory
4 committee and form subcommittees.

5 (9) The advisory committee shall meet at a time and place determined by the advisory
6 committee and, for each meeting, provide opportunity for public comment. The advisory
7 committee shall also meet at least four times a year in different parts of this state where
8 there is considered, planned or ongoing renewable energy and transmission development.

9 (10) The State Department of Energy and the Department of Land Conservation and De-
10 velopment may direct the advisory committee to work with or use the work of a state
11 agency, organization or other committees when the work is similar to the advisory
12 committee's work.

13 (11) The State Department of Energy and the Department of Land Conservation and De-
14 velopment shall contract with a third party or parties to provide support to the advisory
15 committee, including support related to:

- 16 (a) Facilitating and coordinating meetings;
- 17 (b) Developing and coordinating processes; and
- 18 (c) Furnishing data, maps and technical assistance.

19 (12) A member of the advisory committee is entitled to compensation and expenses as
20 provided in ORS 292.495.

21 **SECTION 3. State Department of Energy report.** (1) The State Department of Energy and
22 the Department of Land Conservation and Development shall contract with a third party to
23 prepare a report on the work and recommendations of the Finding Opportunities and Re-
24 ducing Conflict in Energy Siting Advisory Committee established under section 2 of this 2023
25 Act.

26 (2) The report may include recommendations for legislation.

27 (3) The State Department of Energy and the Department of Land Conservation and De-
28 velopment shall submit the report in the manner provided by ORS 192.245, to the appropriate
29 interim committees of the Legislative Assembly no later than December 31, 2024.

30 **SECTION 4.** Section 3 of this 2023 Act is repealed on January 2, 2025.

31 **SECTION 5. Renewable energy siting assessment tool.** The State Department of Energy
32 shall maintain a renewable energy siting assessment tool and periodically update the tool
33 with information from:

- 34 (1) Inventories and mapping resources made available by federal agencies;
- 35 (2) Regional, state and local data and mapping projects; and
- 36 (3) Sources of data identified by the Finding Opportunities and Reducing Conflict in En-
37 ergy Siting Advisory Committee established under section 2 of this 2023 Act.

38
39 **COUNTY MAPPED INVENTORY FOR ENERGY SITING**

40
41 **SECTION 6.** Section 7 of this 2023 Act is added to and made a part of ORS chapter 197.

42 **SECTION 7. Mapped inventory for siting; county.** (1) On or before January 1, 2026, each
43 county in eastern Oregon, as defined in ORS 321.700, may:

44 (a) Adopt as part of the county's comprehensive plan, a mapped inventory of areas best
45 suited for siting renewable energy facilities or transmission development corridors, as de-

1 **fined in section 2 of this 2023 Act; and**

2 **(b) Adopt amendments to the county's comprehensive plan or land use regulations, in-**
3 **cluding overlay zones, to allow for expedited review of renewable energy facilities or trans-**
4 **mission development corridors on inventoried lands.**

5 **(2) In conducting an inventory under this section, counties:**

6 **(a) May utilize processes and formats consistent with a resource inventory for a state-**
7 **wide land use planning goal related to natural resources, scenic and historic areas and open**
8 **spaces;**

9 **(b) Shall consider the quality and quantity of available land, conflicting uses and an**
10 **analysis of ESEE impacts, as defined in section 2 of this 2023 Act;**

11 **(c) Shall create opportunities for public comment and engagement with landowners,**
12 **renewable energy developers, local state agency staff and relevant agriculture, conservation**
13 **and community associations and advocates;**

14 **(d) May work regionally with other counties to identify common criteria and perform**
15 **mapping; and**

16 **(e) Contract with a third party to perform or assist with mapping or inventorying.**

17 **SECTION 8.** Section 7 of this 2023 Act is amended to read:

18 **Sec. 7.** (1) *[On or before January 1, 2026,]* Each county in eastern Oregon, as defined in ORS
19 321.700, may:

20 **(a) Adopt as part of the county's comprehensive plan, a mapped inventory of areas best suited**
21 **for siting renewable energy facilities or transmission development corridors, as defined in section 2**
22 **of this 2023 Act; and**

23 **(b) Adopt amendments to the county's comprehensive plan or land use regulations, including**
24 **overlay zones, to allow for expedited review of renewable energy facilities or transmission develop-**
25 **ment corridors on inventoried lands.**

26 **(2) In conducting an inventory under this section, counties:**

27 **(a) May utilize processes and formats consistent with a resource inventory for a statewide land**
28 **use planning goal related to natural resources, scenic and historic areas and open spaces;**

29 **(b) Shall consider the quality and quantity of available land, conflicting uses and an analysis of**
30 **ESEE impacts, as defined in section 2 of this 2023 Act;**

31 **(c) Shall create opportunities for public comment and engagement with landowners, renewable**
32 **energy developers, local state agency staff and relevant agriculture, conservation and community**
33 **associations and advocates;**

34 **(d) May work regionally with other counties to identify common criteria and perform mapping;**
35 **and**

36 **(e) Contract with a third party to perform or assist with mapping or inventorying.**

37 **SECTION 9.** **The amendments to section 7 of this 2023 Act by section 8 of this 2023 Act**
38 **become operative on January 2, 2026.**

39 **SECTION 10. Grant program; county and tribal governments.** **The Department of Land**
40 **Conservation and Development shall provide financial assistance to county and tribal gov-**
41 **ernments to:**

42 **(1) Participate in the Finding Opportunities and Reducing Conflict in Energy Siting Ad-**
43 **visory Committee established under section 2 of this 2023 Act;**

44 **(2) Update resource inventories or other local data sets that may impact renewable en-**
45 **ergy or transmission development;**

1 (3) Obtain technical assistance associated with engaging in renewable energy or trans-
2 mission development;

3 (4) Meet staffing or contracting needs associated with reviewing renewable energy or
4 transmission development permit applications;

5 (5) Develop priority plans for county projects that could be completed through funds or
6 fees derived from renewable energy or transmission development;

7 (6) Develop mitigation plans or processes, including creating or contributing to mitigation
8 banks, associated with renewable energy or transmission development;

9 (7) Facilitate local collaborative processes around renewable energy and transmission
10 development;

11 (8) Identify and plan for community and workforce needs associated with renewable en-
12 ergy and transmission development including education, training and workforce housing;

13 (9) Develop and implement processes that can support and expedite processing of permit
14 applications under ORS 215.446 and 215.447, including consolidating processes and resources
15 with other counties; and

16 (10) Update the local government's comprehensive plan:

17 (a) In response to recommendations made by the Finding Opportunities and Reducing
18 Conflict in Energy Siting Advisory Committee established under section 2 of this 2023 Act;

19 (b) As required or allowed under section 7 of this 2023 Act; or

20 (c) To implement changes that facilitate the siting of renewable energy facilities in ways
21 that are efficient or that preserve or mitigate losses of habitat, agricultural land or historic,
22 cultural and archeological resources.

23 **SECTION 11.** Section 10 of this 2023 Act is repealed on January 2, 2026.

24
25 **PROGRAM TO SUPPORT PARTICIPATION**
26 **IN ENERGY FACILITY SITING PROCESSES**
27

28 **SECTION 12.** (1) The State Department of Energy shall provide financial and technical
29 assistance to assist public bodies, tribal governments and community organizations to:

30 (a) Participate in the review process of an application submitted under ORS 469.300 to
31 469.619;

32 (b) Engage in the Energy Facility Siting Council rulemaking process; and

33 (c) Participate in the Finding Opportunities and Reducing Conflict in Energy Siting Ad-
34 visory Committee established under section 2 of this 2023 Act.

35 (2) The department shall disburse financial assistance under this section on an ongoing
36 basis in the form of grants.

37 (3) The department shall:

38 (a) Prescribe the form and manner in which an applicant may apply for a grant;

39 (b) Establish the procedures for reviewing and approving an application;

40 (c) Establish the costs and activities that may be covered by a grant award;

41 (d) Establish the terms and conditions for grants awards; and

42 (e) Establish procedures for verifying how grant award moneys are used.

43 (4)(a) To receive a grant award, an applicant whose application is approved shall enter
44 into a grant award agreement with the department.

45 (b) The Energy Facility Siting Council may review and require that additional terms or

1 conditions be added to the grant award agreement.

2 (5) Moneys collected through assessments imposed on energy resource suppliers under
3 ORS 469.421 (8) may not be expended to provide financial or technical assistance under this
4 section.

5 (6) The department may adopt rules to carry out this section.
6

7 **APPROPRIATIONS**
8

9 **SECTION 13.** In addition to and not in lieu of any other appropriation, there is appro-
10 priated to the State Department of Energy, for the biennium beginning July 1, 2023, out of
11 the General Fund, the amount of \$_____, which may be expended for the purpose of car-
12 rying out the provisions of sections 1 to 3 and 5 of this 2023 Act.

13 **SECTION 14.** In addition to and not in lieu of any other appropriation, there is appro-
14 priated to the State Department of Energy, for the biennium beginning July 1, 2023, out of
15 the General Fund, the amount of \$500,000, to provide financial assistance under section 12
16 of this 2023 Act.

17 **SECTION 15.** In addition to and not in lieu of any other appropriation, there is appro-
18 priated to the Department of Land Conservation and Development, for the biennium begin-
19 ning July 1, 2023, out of the General Fund, the amount of \$_____, which may be expended
20 for the purpose of carrying out the provisions of sections 1 to 3 of this 2023 Act.

21 **SECTION 16.** In addition to and not in lieu of any other appropriation, there is appro-
22 priated to the Department of Land Conservation and Development, for the biennium begin-
23 ning July 1, 2023, out of the General Fund, the amount of \$2,000,000, to provide financial
24 assistance to county and tribal governments under section 10 of this 2023 Act.
25

26 **UNIT AND SECTION CAPTIONS**
27

28 **SECTION 17.** The unit and section captions used in this 2023 Act are provided only for
29 the convenience of the reader and do not become part of the statutory law of this state or
30 express any legislative intent in the enactment of this 2023 Act.
31

32 **DECLARING EMERGENCY**
33

34 **SECTION 18.** This 2023 Act being necessary for the immediate preservation of the public
35 peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect
36 on its passage.
37
