

A-Engrossed
House Bill 3378

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

Sponsored by Representatives MARSH, 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.

[Requires Public Utility Commission, in consultation with State Department of Energy, to study development and adoption of microgrid systems and use of microgrid systems for increasing electric grid and energy resilience. Directs commission to submit findings to interim committees of Legislative Assembly related to energy and development no later than September 15, 2024.]

Permits county to develop and adopt energy resilience plan and incorporate energy resilience plan into county's applicable natural hazard mitigation plan. Requires energy resilience plan to meet certain requirements. Requires public utilities to use reasonable efforts to assist with and comply with requests from county for information regarding energy infrastructure, provided information is exempt from disclosure requirements.

Directs State Department of Energy to establish program to award grants to counties to cover costs of developing energy resilience plans that meet certain requirements.

Sunsets grant program on January 2, 2026.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

Relating to energy resilience; and prescribing an effective date.

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

SECTION 1. (1) The Legislative Assembly finds that each county should plan for and develop energy resilience and be prepared, in the event of major grid disruption, to maintain basic services and functions.

(2) In order to carry out the provisions set forth in subsection (1) of this section, a county may:

(a) Develop and adopt an energy resilience plan; and

(b) Incorporate the energy resilience plan into the county's applicable natural hazard mitigation plan.

(3) An energy resilience plan developed under this section must:

(a) Be based on and plan for short-term, medium-term and long-term power outages.

(b) Identify and map:

(A) Existing energy infrastructure located within the county, including transmission lines, distribution lines, substations and energy storage systems;

(B) Natural hazard risks; and

(C) Communities that experience social vulnerability.

(c) Identify potential locations for community resilience centers and communication zones that the public may use to access electricity services during a power outage;

(d) Inventory the energy consumption needs of critical public services facilities;

(e) Identify critical public services facilities where the development of alternate energy

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 **generation and storage resources will meet local energy resilience needs;**

2 **(f) Identify opportunities to coordinate and locate energy infrastructure development to**
3 **align with and support critical public services facilities;**

4 **(g) Identify time schedules, priorities and potential funding sources for developing energy**
5 **resilience; and**

6 **(h) Identify other actions and resources needed to implement the energy resilience plan.**

7 **(4)(a) To identify and map communities that experience social vulnerabilities under sub-**
8 **section (3)(b)(C) of this section, a county shall consult with representatives from local envi-**
9 **ronmental justice communities.**

10 **(b) A county shall use the locations of communities that experience social vulnerabilities**
11 **to prioritize the potential locations of community resilience centers under subsection (3)(c)**
12 **of this section.**

13 **(5) A public utility that is operating or serving customers within the boundaries of a**
14 **county that is developing an energy resilience plan shall use reasonable efforts to assist with**
15 **and comply with requests from the county for information regarding energy infrastructure**
16 **that is located or serving customers within the boundaries of the county, provided that the**
17 **information is exempt from disclosure under ORS 192.355.**

18 **(6) As used in this section, “critical public services facility” includes a facility related to**
19 **law enforcement, fire protection, health and medical services, sanitation services, fuel and**
20 **fueling, public works and engineering, public information and communications and emer-**
21 **gency response.**

22 **SECTION 2. (1) The State Department of Energy shall establish a program for awarding**
23 **grants to counties to cover the costs of developing energy resilience plans that meet the**
24 **requirements under section 1 (3) of this 2023 Act.**

25 **(2) Under the program:**

26 **(a) A county shall use grant moneys to cover the costs of developing an energy resilience**
27 **plan that meets the requirements listed under section 1 (3) of this 2023 Act;**

28 **(b) A county may be awarded a total of no more than \$50,000;**

29 **(c) Counties may combine and use together grant moneys that have been awarded to the**
30 **counties;**

31 **(d) A county may use grant award moneys to cover:**

32 **(A) The salaries and expenses of county employees for the time the employees work on**
33 **developing an energy resilience plan;**

34 **(B) The costs to hire or contract with a technical assistance provider; and**

35 **(C) Any other necessary costs as approved by the department; and**

36 **(e) The department may issue grant award moneys to a county or directly to a technical**
37 **assistance provider or providers hired or contracted by the county.**

38 **(3) The department shall establish the:**

39 **(a) Application process;**

40 **(b) Eligibility criteria for awarding grants;**

41 **(c) Process of awarding grants; and**

42 **(d) Requirements for reporting on the use of grant award moneys by grantees.**

43 **(4) No later than September 15, 2025, the department shall submit a report in the manner**
44 **provided by ORS 192.245 to the interim committees of the Legislative Assembly related to**
45 **energy. The report must, at a minimum:**

1 (a) Identify the counties that have received grants under the program and describe the
2 status of the counties' energy resilience plans;

3 (b) Identify opportunities to incorporate county energy resilience plans into a state en-
4 ergy resilience plan and other planning efforts; and

5 (c) Make recommendations for improvements to the program and investments that would
6 improve future planning efforts.

7 **SECTION 3.** Section 2 of this 2023 Act is repealed on January 2, 2026.

8 **SECTION 4.** In addition to and not in lieu of any other appropriation, there is appropri-
9 ated to the State Department of Energy, for the biennium beginning July 1, 2023, out of the
10 General Fund, the amount of \$2,000,000, to be used to provide grants under the program es-
11 tablished under section 2 of this 2023 Act.

12 **SECTION 5.** This 2023 Act takes effect on the 91st day after the date on which the 2023
13 regular session of the Eighty-second Legislative Assembly adjourns sine die.

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