

Enrolled
House Bill 3630

Sponsored by Representatives RAYFIELD, PHAM K, Senator GOLDEN, Representative MARSH; Representatives ANDERSEN, BOWMAN, DEXTER, FAHEY, GAMBA, GRAYBER, HOLVEY, HUDSON, KROPF, MCLAIN, NATHANSON, NERON, NOSSE, PHAM H, REYNOLDS, SOSA, Senators LIEBER, PATTERSON, SOLLMAN

CHAPTER

AN ACT

Relating to energy; and declaring an emergency.

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

PROGRAM TO ASSIST ENVIRONMENTAL JUSTICE COMMUNITIES

SECTION 1. The State Department of Energy shall establish a program to provide assistance related to energy projects and activities to environmental justice communities, as defined in ORS 469A.400. At a minimum, the program must provide environmental justice communities with information regarding:

- (1) Funding resources.
- (2) Technical assistance.
- (3) Other support that may be available.

STATE ENERGY STRATEGY

SECTION 2. (1) The State Department of Energy shall develop a comprehensive state energy strategy that identifies optimized pathways to achieving the state’s energy policy objectives.

- (2) The state energy strategy must be informed, at a minimum, by the following:
 - (a) Stakeholder perspectives;
 - (b) State laws, policies and targets regarding energy and greenhouse gas emissions;
 - (c) Existing energy and integrated resource plans;
 - (d) Energy-related studies and data analysis; and
 - (e) State energy policy objectives.
- (3) In identifying optimized pathways to achieving the state’s energy policy objectives, the state energy strategy must take into account, at a minimum, the following factors:
 - (a) State energy demand and trends;
 - (b) Energy resources and technology choices in consideration of costs, energy efficiency, feasibility and availability;
 - (c) Economic and employment impacts;
 - (d) Energy burden and affordability;

- (e) Energy resilience, as defined in section 29, chapter 508, Oregon Laws 2021, and energy reliability;
 - (f) Environmental justice, as defined in ORS 469A.400;
 - (g) Land use considerations;
 - (h) Natural resource impacts;
 - (i) Emerging technologies and investment opportunities;
 - (j) Energy generation, transmission and distribution infrastructure needed to achieve state energy policy objectives;
 - (k) Existing and potential incentives to support energy efficiency, development and deployment;
 - (L) Energy security and impacts of broader markets;
 - (m) Community benefits; and
 - (n) Community energy resilience, as defined in section 29, chapter 508, Oregon Laws 2021.
- (4)(a) In developing the state energy strategy, the department shall engage with relevant state agencies, federally recognized Indian tribes and stakeholders. At a minimum, the stakeholders must represent a diverse range of:
- (A) Interests, perspectives, expertise and education;
 - (B) Socioeconomic backgrounds;
 - (C) Communities; and
 - (D) Geographic areas of this state.
- (b) The department may convene an advisory work group to inform the department on the department's engagement with stakeholders and development of the state energy strategy.
- (5)(a) The department shall ensure that the state energy strategy developed under this section reflects the best available information, data analyses and time horizons necessary to achieving the state's energy policy objectives.
- (b) The department shall periodically update the state energy strategy to reflect current information, data analysis and state energy policy objectives.
- (c) The department shall inform the Governor and Legislative Assembly when the department updates the state energy strategy.
- (6) The department may contract with third parties for assistance in performing the department's duties under this section, including assistance with technical or facilitation services.
- (7) All agencies of state government, as defined in ORS 174.111, are directed, to the extent permitted by laws relating to confidentiality, to furnish such information and advice to the department as the department considers necessary to perform the department's duties under this section.

SECTION 3. (1) The State Department of Energy shall produce a report regarding the state energy strategy developed under section 2 of this 2023 Act. The report, at minimum, must:

- (a) Summarize the state energy strategy and optimized pathways to achieving the state's energy policy objectives;
- (b) Describe the department's engagement process with stakeholders and how stakeholder perspectives informed the state energy strategy; and
- (c) Recommend legislation or changes to policy necessary to implement the state energy strategy.

(2) The department shall submit the report produced under subsection (1) of this section to the Governor and the appropriate interim committees of the Legislative Assembly in the manner provided under ORS 192.245 no later than November 1, 2025.

SECTION 4. Section 3 of this 2023 Act is repealed on January 2, 2026.

COUNTY ENERGY RESILIENCE PLANS

SECTION 5. (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 generation and storage resources will meet local energy resilience needs;

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

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

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

(4)(a) To identify and map communities that experience social vulnerabilities under subsection (3)(b)(C) of this section, a county shall consult with representatives from local environmental justice communities.

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

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

(6) As used in this section, "critical public services facility" includes a facility related to law enforcement, fire protection, health and medical services, sanitation services, fuel and fueling, public works and engineering, public information and communications and emergency response.

SECTION 6. (1) The State Department of Energy shall establish a program for awarding grants to counties to cover the costs of developing energy resilience plans that meet the requirements under section 5 (3) of this 2023 Act.

(2) Under the program:

(a) A county shall use grant moneys to cover the costs of developing an energy resilience plan that meets the requirements listed under section 5 (3) of this 2023 Act;

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

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

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

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

- (B) The costs to hire or contract with a technical assistance provider; and
 - (C) Any other necessary costs as approved by the department; and
 - (e) The department may issue grant award moneys to a county or directly to a technical assistance provider or providers hired or contracted by the county.
- (3) The department shall establish the:
- (a) Application process;
 - (b) Eligibility criteria for awarding grants;
 - (c) Process of awarding grants; and
 - (d) Requirements for reporting on the use of grant award moneys by grantees.
- (4) No later than September 15, 2025, the department shall submit a report in the manner provided by ORS 192.245 to the interim committees of the Legislative Assembly related to energy. The report must, at a minimum:
- (a) Identify the counties that have received grants under the program and describe the status of the counties' energy resilience plans;
 - (b) Identify opportunities to incorporate county energy resilience plans into a state energy resilience plan and other planning efforts; and
 - (c) Make recommendations for improvements to the program and investments that would improve future planning efforts.

SECTION 7. Section 6 of this 2023 Act is repealed on January 2, 2026.

HOME ENERGY PROGRAMS

SECTION 8. (1) The State Department of Energy, in consultation with the Housing and Community Services Department, shall establish:

- (a) A whole-home energy savings program to provide rebates to individual homeowners, multifamily building owners and aggregators for home energy efficiency retrofits; and
 - (b) A high-efficiency electric home rebate program to provide rebates for the purchase and installation of appliances and nonappliance upgrades.
- (2) In establishing a program under this section, the State Department of Energy shall:
- (a) Consult with stakeholders, including consumer-owned utilities, as defined in ORS 757.270, and investor-owned utilities, as defined in ORS 469.631; and
 - (b) Ensure the program maximizes benefits for applicants by leveraging federal and state resources.

STATE DEPARTMENT OF ENERGY SINGLE RESOURCE

SECTION 9. (1) The State Department of Energy shall create a single resource that provides to interested persons information, technical assistance and assistance in identifying contractors and financing options, related to available energy efficiency incentives and programs.

(2) The department shall coordinate information and data exchanges between federal and state agencies, private and public utility providers, and energy efficiency incentive or program providers as may be necessary to:

- (a) Create and maintain the single resource described under subsection (1) of this section; and
- (b) Support the implementation and reporting requirements of available energy efficiency incentives and programs.

(3) The department may contract with a nonprofit or other entity as may be necessary to carry out the provisions of this section.

(4) Entities that exchange, compile or maintain information or data under this section or that are involved in carrying out the provisions of this section shall use best practices to

maintain the confidentiality and security of the information and data as required by federal and state law, including the Oregon Consumer Information Protection Act and ORS 192.355.

APPROPRIATIONS

SECTION 10. (1) Notwithstanding any other provision of law, the General Fund appropriation made to the State Department of Energy by section 1 (1), chapter __, Oregon Laws 2023 (Enrolled House Bill 5016), for the biennium beginning July 1, 2023, for energy development services, is increased by \$4,238,727 for the purpose of carrying out sections 2 to 8 of this 2023 Act.

(2) In addition to and not in lieu of any other appropriation, there is appropriated to the State Department of Energy, for the biennium beginning July 1, 2023, out of the General Fund, the amount of \$402,385, for the purpose of carrying out the provisions of section 1 of this 2023 Act.

SECTION 10a. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 4, chapter __, Oregon Laws 2023 (Enrolled House Bill 5016), for the biennium beginning July 1, 2023, as the maximum limit for payment of expenses from federal funds collected or received by the State Department of Energy, is increased by \$48,859, for the purpose of carrying out sections 8 and 9 of this 2023 Act.

OPERATIVE DATE

SECTION 11. Sections 2 to 7 of this 2023 Act become operative on the 91st day after the date on which the 2023 regular session of the Eighty-second Legislative Assembly adjourns sine die.

UNIT CAPTIONS

SECTION 12. The unit captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

DECLARING EMERGENCY

SECTION 13. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.

Passed by House June 14, 2023

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Timothy G. Sekerak, Chief Clerk of House

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Dan Rayfield, Speaker of House

Passed by Senate June 24, 2023

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Rob Wagner, President of Senate

Received by Governor:

.....M,....., 2023

Approved:

.....M,....., 2023

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M,....., 2023

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Secretary of State