

A-Engrossed
House Bill 3630

Ordered by the House June 12
Including House Amendments dated June 12

Sponsored by Representatives RAYFIELD, PHAM K, Senator GOLDEN, Representative MARSH; Representative HOLVEY

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 to establish program to provide assistance related to energy projects and activities to environmental justice communities.

Requires State Department of Energy to develop comprehensive state energy strategy that identifies optimized pathways to achieving state's energy policy objectives. Requires department to periodically update state energy strategy. Directs department to produce report regarding state energy strategy and submit report to Governor and appropriate interim committees of Legislative Assembly no later than November 1, 2025.

Permits county to develop and adopt energy resilience plan and incorporate energy resilience plan into county's applicable natural hazard mitigation plan. 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.

Requires State Department of Energy, in consultation with Housing and Community Services Department, to establish whole-home energy savings program and high-efficiency electric home rebate program.

Requires State Department of Energy to create single resource that provides to interested persons information, technical assistance and assistance identifying contractors and financing options, related to available energy efficiency incentives and programs. Requires department to coordinate information and data exchanges between certain entities. Requires entities to use best practices to maintain confidentiality and security of information and data as required by law.

Appropriates moneys from General Fund to State Department of Energy for energy development services and certain expenses.

Increases limit on biennial expenditures by State Department of Energy from federal funds.

Declares emergency, effective on passage.

A BILL FOR 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.**

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.

STATE ENERGY STRATEGY

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

6 **(2) The state energy strategy must be informed, at a minimum, by the following:**

- 7 **(a) Stakeholder perspectives;**
8 **(b) State laws, policies and targets regarding energy and greenhouse gas emissions;**
9 **(c) Existing energy and integrated resource plans;**
10 **(d) Energy-related studies and data analysis; and**
11 **(e) State energy policy objectives.**

12 **(3) In identifying optimized pathways to achieving the state's energy policy objectives, the**
13 **state energy strategy must take into account, at a minimum, the following factors:**

- 14 **(a) State energy demand and trends;**
15 **(b) Energy resources and technology choices in consideration of costs, energy efficiency,**
16 **feasibility and availability;**
17 **(c) Economic and employment impacts;**
18 **(d) Energy burden and affordability;**
19 **(e) Energy resilience, as defined in section 29, chapter 508, Oregon Laws 2021, and energy**
20 **reliability;**
21 **(f) Environmental justice, as defined in ORS 469A.400;**
22 **(g) Land use considerations;**
23 **(h) Natural resource impacts;**
24 **(i) Emerging technologies and investment opportunities;**
25 **(j) Energy generation, transmission and distribution infrastructure needed to achieve**
26 **state energy policy objectives;**
27 **(k) Existing and potential incentives to support energy efficiency, development and de-**
28 **ployment;**
29 **(L) Energy security and impacts of broader markets;**
30 **(m) Community benefits; and**
31 **(n) Community energy resilience, as defined in section 29, chapter 508, Oregon Laws 2021.**

32 **(4)(a) In developing the state energy strategy, the department shall engage with relevant**
33 **state agencies, federally recognized Indian tribes and stakeholders. At a minimum, the**
34 **stakeholders must represent a diverse range of:**

- 35 **(A) Interests, perspectives, expertise and education;**
36 **(B) Socioeconomic backgrounds;**
37 **(C) Communities; and**
38 **(D) Geographic areas of this state.**

39 **(b) The department may convene an advisory work group to inform the department on**
40 **the department's engagement with stakeholders and development of the state energy strat-**
41 **egy.**

42 **(5)(a) The department shall ensure that the state energy strategy developed under this**
43 **section reflects the best available information, data analyses and time horizons necessary to**
44 **achieving the state's energy policy objectives.**

45 **(b) The department shall periodically update the state energy strategy to reflect current**

1 information, data analysis and state energy policy objectives.

2 (c) The department shall inform the Governor and Legislative Assembly when the de-
3 partment updates the state energy strategy.

4 (6) The department may contract with third parties for assistance in performing the
5 department's duties under this section, including assistance with technical or facilitation
6 services.

7 (7) All agencies of state government, as defined in ORS 174.111, are directed, to the ex-
8 tent permitted by laws relating to confidentiality, to furnish such information and advice to
9 the department as the department considers necessary to perform the department's duties
10 under this section.

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

14 (a) Summarize the state energy strategy and optimized pathways to achieving the state's
15 energy policy objectives;

16 (b) Describe the department's engagement process with stakeholders and how
17 stakeholder perspectives informed the state energy strategy; and

18 (c) Recommend legislation or changes to policy necessary to implement the state energy
19 strategy.

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

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

24 25 COUNTY ENERGY RESILIENCE PLANS

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27 **SECTION 5.** (1) The Legislative Assembly finds that each county should plan for and de-
28 velop energy resilience and be prepared, in the event of major grid disruption, to maintain
29 basic services and functions.

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

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

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

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

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

37 (b) Identify and map:

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

40 (B) Natural hazard risks; and

41 (C) Communities that experience social vulnerability.

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

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

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

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 6. (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 5 (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 5 (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 7.** Section 6 of this 2023 Act is repealed on January 2, 2026.

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9 **HOME ENERGY PROGRAMS**

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

13 (a) A whole-home energy savings program to provide rebates to individual homeowners,
14 multifamily building owners and aggregators for home energy efficiency retrofits; and

15 (b) A high-efficiency electric home rebate program to provide rebates for the purchase
16 and installation of appliances and nonappliance upgrades.

17 (2) In establishing a program under this section, the State Department of Energy shall:

18 (a) Consult with stakeholders, including consumer-owned utilities, as defined in ORS
19 757.270, and investor-owned utilities, as defined in ORS 469.631; and

20 (b) Ensure the program maximizes benefits for applicants by leveraging federal and state
21 resources.

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23 **STATE DEPARTMENT OF ENERGY SINGLE RESOURCE**

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

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

32 (a) Create and maintain the single resource described under subsection (1) of this section;
33 and

34 (b) Support the implementation and reporting requirements of available energy efficiency
35 incentives and programs.

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

38 (4) Entities that exchange, compile or maintain information or data under this section
39 or that are involved in carrying out the provisions of this section shall use best practices to
40 maintain the confidentiality and security of the information and data as required by federal
41 and state law, including the Oregon Consumer Information Protection Act and ORS 192.355.

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43 **APPROPRIATIONS**

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45 **SECTION 10.** (1) Notwithstanding any other provision of law, the General Fund appro-

