

HB 3336 -1 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Meeting Dates: 2/25, 3/27

WHAT THE MEASURE DOES:

The measure requires electric companies, when filing a resource or grid investment plan with the Oregon Public Utility Commission (PUC) proposing additions, improvements, or modifications to an electric transmission system, to conduct an analysis to determine the cost-effectiveness and timetable of multiple strategies, including strategies that use grid enhancing technologies to increase electricity transmission capacity in Oregon. It also requires electric companies to file a strategic plan for using grid enhancing technologies where doing so is cost-effective.

Detailed summary:

Defines “electric company” as an electric company that owns and operates an electric transmission system and sells more than two million megawatt hours of electricity in a calendar year to retail electricity consumers in this state, but does not include a consumer-owned utility. Defines “grid enhancing technology” as any hardware or software technology that enhances the performance or improves performance efficiency of an electric transmission system including, but not limited to, dynamic line rating, advanced power flow control technology, topology optimization, advanced reconductoring, flexible alternating current transmission systems, or energy storage when used as a transmission resource. Declares legislative policy. Requires electric companies, when filing a resource or grid investment plan with the Oregon Public Utility Commission (OPUC) proposing additions, improvements, or modifications to an electric transmission system, to conduct an analysis to determine the cost-effectiveness and timetable of multiple strategies, including strategies that use grid enhancing technologies, to:

- Increase electricity transmission capacity;
- Increase electricity transmission reliability;
- Reduce electricity transmission system congestion;
- Reduce curtailment of renewable and non-emitting energy resources;
- Increase capacity to connect new renewable and non-emitting energy resources; and
- Reduce risk of wildfires, consistent with the electric company’s wildfire protection plan.

Requires electric companies to file and include, as part of the electric company’s clean energy plan and the electric company’s integrated resource plan filed with OPUC on or after the effective date of this Act, a separate section that provides a strategic plan for using grid enhancing technologies where doing so is cost-effective.

Requires electric companies to update the strategic plan every two years and make the strategic plan publicly available. Requires an electric company’s first filed strategic plan to be carried out no later than January 1, 2030. Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Examples of grid-enhancing technologies
- Reasons grid-enhancing technologies aren’t regularly deployed in Oregon
- Grid-enhancing technologies’ potential impacts on customers’ energy utility rates

EFFECT OF AMENDMENT:

-1 The amendment prohibits local governments from applying any land-use regulation to an application to site any upgrade or replacement of any transmission lines using grid enhancing technology that are sited within the existing or certain expanded transmission line's rights-of way.

Detailed summary:

Prohibits local governments from applying any land-use regulation to an application to site any upgrade or replacement of any transmission lines using grid enhancing technology that are sited within the existing transmission line's right-of way or certain expanded rights-of-way. Allows local governments, in reviewing applications, to only apply clear and objective land use standards that do not require the exercise of judgment by the decision maker. Specifies that application reviews by local governments do not apply to a siting application that is part of a series of actions if certain criteria are met.

- *FISCAL: Minimal*
- *REVENUE: No revenue impact*

BACKGROUND:

The need to build more electric transmission lines in Oregon has increased as energy demand and the need to transport more energy to existing and new uses have also increased. According to a 2023 report by the Federal Energy Regulatory Commission (FERC) only 251 miles of high-voltage electricity transmission lines across the country were completed in 2023.

Instead of building new electric transmission lines, utilities can use grid enhancing technologies (GETs) to expand the capacity of the existing lines and improve their performance, capacity, and reliability. Example GETs include **dynamic line rating**, which adjusts power flows in real time based on local weather conditions (such as wind and temperature) to increase the line's capacity; **power flow controllers** that actively manage power flows along specified paths to balance load, improve resiliency, and reduce renewable energy curtailment; and **topology optimization**, which uses software to reconfigure grid circuits, directing electricity around congested lines, improving reliability, and minimizing outages.

A workgroup met during the 2023–24 legislative interim to discuss electric transmission issues and draft potential bill language on related topics.