HB 3927 -1, -2 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

Prepared By:Erin Pischke, LPRO AnalystSub-Referral To:Joint Committee On Ways and MeansMeeting Dates:3/27, 4/3

WHAT THE MEASURE DOES:

The measure requires the Oregon Department of Energy (ODOE) to study the need to expand electric transmission infrastructure in this state and submit a report; establishes the Oregon Electric Transmission Expansion Fund (Fund) to develop and complete two electric transmission expansion projects; appropriates \$8 billion to ODOE for each of the next five biennia, beginning July 1, 2025, out of the General Fund for deposit in the Fund; and it sunsets the Fund on January 2, 2036.

Detailed summary:

Electric transmission infrastructure study and report

Requires the Oregon Department of Energy (ODOE) to study the need to expand electric transmission infrastructure in this state and submit a report to the interim committees of the Legislative Assembly related to energy no later than September 15, 2026. Sunsets the study and reporting requirements on January 2, 2027.

Oregon Electric Transmission Expansion Fund

Establishes the Oregon Electric Transmission Expansion Fund (Fund) from the General Fund to develop and complete two electric transmission expansion projects no later than January 1, 2036.

Fund appropriation

Appropriates \$8 billion to ODOE for each of the next five biennia, beginning July 1, 2025, out of the General Fund for deposit in the Fund.

Sunset provision

Sunsets the Fund on January 2, 2036.

ISSUES DISCUSSED:

- Electric transmission upgrade needs in Oregon
- Size of funding request in measure
- Comparisons between ability to develop renewable energy in Oregon and in nearby states

EFFECT OF AMENDMENT:

-1 The amendment replaces \$8 billion dollar appropriations with \$1.6 billion dollar appropriations to the Oregon Department of Energy (ODOE) for each of the next five biennia.

-2 The amendment expands the requirements of the Oregon Department of Energy study and report on electric transmission in this state. It also contains the same language in the -1 amendment which replaces \$8 billion dollar appropriations to ODOE for each of the next five biennia.

- FISCAL: May have fiscal impact, but no statement issued yet
- REVENUE: May have revenue impact, but no statement issued yet

BACKGROUND:

This summary has not been adopted or officially endorsed by action of the committee.

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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.

It is the mission of The Oregon Department of Energy to help Oregonians "make informed decisions and maintain a resilient and affordable energy system."