

HB 3653 STAFF MEASURE SUMMARY

Carrier: Sen. Smith DB

Senate Committee On Energy and Environment

Action Date: 05/05/25

Action: Do pass.

Vote: 5-0-0-0

Yeas: 5 - Golden, Pham, Robinson, Smith DB, Sollman

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

Prepared By: Beth Reiley, LPRO Analyst

Meeting Dates: 4/28, 5/5

WHAT THE MEASURE DOES:

The measure allows authorized state agencies to enter into energy performance contracts without requiring a competitive procurement if the authorized state agency follows rules that the Attorney General adopts, negotiates a performance guarantee, and enters into the contract with a qualified energy service company that the Oregon Department of Energy prequalifies and approves. It takes effect on the 91st day following adjournment sine die and becomes operative January 2, 2026.

ISSUES DISCUSSED:

- Potential efficiencies in procurement process
- Intent of the measure to accelerate project timelines

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Energy Savings Performance Contracts are agreements between a public agency and a qualified Energy Service Company (ESCO), which, according to the Oregon Department of Energy (ODOE), "can help schools and public agencies identify, evaluate, recommend, and design energy conservation measures that guarantee energy savings or performance." ODOE maintains a list of pre-qualified ESCOs that state agencies can utilize; there are currently seven active, qualified ESCOs on the list.