

March 11, 2025

- To: Representative John Lively, Chair, House Climate, Energy, and Environment Committee Representative Bobby Levy, Vice Chair, House Climate, Energy, and Environment Committee Representative Mark Gamba, Vice Chair, House Climate, Energy, and Environment Committee Members of the House Climate, Energy, and Environment Committee
- From: Emily Griffith, Oregon Policy Manager, Renewable Northwest Diane Brandt, Policy & Legislative Affairs Director, Renewable Northwest

Re: Support for HB 3681-1

Chair Lively, Vice Chair Levy, Vice Chair Gamba, and Members of the Committee,

Renewable Northwest ("RNW") is a regional, renewable energy advocacy nonprofit based in Oregon, dedicated to decarbonizing the electricity grid by accelerating the use of renewable electricity resources. Our membership includes renewable energy developers, environmental organizations, and consumer advocates. Thank you for the opportunity to offer our **support for HB 3681 with the -1 amendment which proposes a set of important, targeted updates to the permitting process, including for transmission projects.**

RNW has engaged with the relevant siting and permitting agencies in the state for several years, as have our members. We recognize the importance of the certainty that well-thought out and thorough processes provide to applicants, agency staff, and the public. The proposed changes in this bill suggest very specific and meaningful changes - although none are "recreating" a process or significantly changing existing procedures. Regardless, RNW sees these "tweaks" as important refinements that will help with ever-extending permitting timelines and growing complexities in renewable energy project development.

Clarifications on Final Order Appeal Standing and Contested Cases

HB 3681-1 suggests specific clarifications on timelines for the Energy Facility Siting Council ("EFSC") to issue final rulings on contested cases, standing requirements for appeals on a final order, and moves the hearing of a contested case to the Oregon Supreme Court. Having a clear timeline for contested case determinations offers much needed predictability in the EFSC process, although we do understand some complex cases may be challenging to rule on by the given 12 month timeline. The bill also clarifies the standing required to lodge an appeal on a final order and that it would be appealable directly to the Supreme Court. By having the clarity

in standing and the immediate movement to the Supreme Court, it still allows for appeals to be heard while minimizing process delay introduced by layers of legal process. This change would not only minimize opportunities for protracted legal battles that could delay or derail energy projects critical to Oregon, but also introduces more certainty into the permitting process in Oregon.

Allowing for Site Certificate Extensions and Minor Site Boundary Changes without Amendment Process

As a renewable energy project progresses in development, there are often unexpected delays or minor adjustments needed to site boundaries. Currently, this requires a site certificate amendment if the delay exceeds the site certificate validity, which is currently three years - even if there is no change to the project itself - or for unanticipated minor site boundary changes. The changes suggested in HB 3681-1 would allow for automatic site certificate extensions under certain criteria, and for the Council to approve minor site boundary adjustments without a full amendment application process. This offers a simple way to lessen the administrative burden for minor changes and extensions on EFSC and the applicant.

Indeed, this is an important improvement as the site certificate amendment process can be potentially lengthy and add uncertainty into the permitting process, despite already having an approved site certificate for a project. Given the challenges for renewable energy projects currently - from supply chain difficulties and labor shortages to lengthy processes for transmission space and interconnection - it is nearly impossible to start construction of a project within the current three year site certificate validity period.

Transmission Lines - Process Consolidation and Public Use Clarification

HB 3681-1 revises the Certificate of Public Convenience and Necessity ("CPCN") statutes to narrow the criteria of review by the Oregon Public Utility Commission ("OPUC"). The bill clarifies that the Commission will investigate "whether the proposed transmission line meets a need for increased transmission capacity and reliability in the electric grid" - an area well within its expertise. This is a narrowing of current statute which requires the OPUC to evaluate evidence beyond the electricity sector, often duplicative of review already performed in the EFSC or local permitting processes.

Additionally, the bill removes the requirement for the completion of the land use process prior to lodging a CPCN petition - it allows for the CPCN and land use approval processes to occur simultaneously. Given that the CPCN process takes 9-10 months and the permitting process is also considerably lengthy, simultaneous review (not issuance) can lessen administrative burden without compromising the OPUC's obligation to ensure land use considerations are fully considered - the CPCN would still be issued pursuant to a land use determination.

Transmission Lines - Clarification of Determinations

The bill also suggests eliminating duplicative processes for determining if transmission projects are "public use" and adds language on projects considered to be of "statewide significance" (which is a concept also discussed in HB 3628) and how this could support the permitting of transmission projects. The determination of a transmission project as "public use" is foundational for the CPCN and other processes. The bill allows for a valid EFSC site certificate to serve as evidence of a "public use" determination, which capitalizes on the extensive EFSC process and avoids duplication at the OPUC.

Renewable NW supports HB 3681 with the -1 amendment as it is a comprehensive bill proposing specific, procedural fixes that would significantly impact the timelines for renewable energy and transmission project applications. While each "fix" in itself may seem minor, taken as a whole they will offer a more rationalized permitting process that has less potential for duplicative efforts, and makes best use of the current, robust reviews already available. They will also alleviate unnecessary administrative burden on both state agency staff, EFSC members, OPUC Commissioners, applicants, and others.

We appreciate the opportunity to offer these views.

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