

2023 Oregon Legislative Report

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August 11, 2023



OREGON
DEPARTMENT OF
ENERGY



OREGON DEPARTMENT OF ENERGY

Leading Oregon to a safe, equitable, clean, and sustainable energy future.

Our Mission

The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

What We Do

On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

THE 2023 LEGISLATIVE SESSION

Overall Energy Themes and Issues

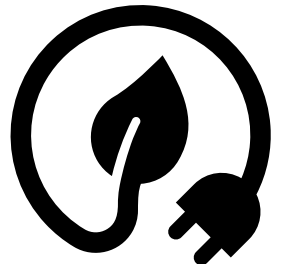
- State budget higher than expected, which meant more money for climate and energy
- Walkout-inspired *packages* of legislation, which led to two bills establishing many new programs – a \$90 million “Climate Package”
- Energy efficiency, facility siting, planning, and resilience were major topics



“THE CLIMATE PACKAGE”

Climate Omnibus Bills: HB 3409 and 3630 (and SB 5506)

- Oregon Global Warming Commission update and new scope of work
- Natural climate solutions, with role for the “OCAC”
- Additional dollars for existing energy incentive programs
- Kickstart on federal home energy efficiency and grid resilience programs
- Building efficiency package – building performance standard, new buildings, state buildings, heat pumps
- State energy strategy
- Dollars for resilience hubs and resilience planning
- Low-conflict solar siting rules at DLCD
- Fees for Community Climate Investments



ENERGY EFFICIENCY

The pre-session work of the Resilient Efficient Buildings Task Force paid off, as the highest-profile energy bills of session all passed in the Climate Package.

Building Performance

- Efficiency standard for existing large commercial buildings, and incentives for early action (HB 3409)

Home Energy Efficiency

- Kickstart for federal programs and new one-stop shop to inform consumers (HB 3630)

State Agency Direction

- Assessment of energy use and GHG emissions and sustainable building design (HB 3409)

Energy Code

- Goals for improved energy efficiency in new buildings (HB 3409)



HB 3409 creates a Building Performance Standard (BPS) program to regulate the energy consumption of many existing commercial buildings in Oregon. The bill also creates a \$2 million incentive program for early and voluntary adopters of building requirements.

A Tale of Two-Tiers

Tier 1 includes hotel, motel, and nonresidential buildings equal to or larger than 35,000 sq. ft. Tier 1 building owners are required to comply with the standard, starting with the largest buildings in 2028 and all Tier 1 buildings by 2030.

Tier 2 includes hotel, motel, and nonresidential buildings larger than 20,000 sq. ft. and less than 35,000 sq. ft. - and multifamily residential, schools, dorms, universities, and hospitals that would otherwise be Tier 1. Tier 2 building owners will only submit benchmarking reports, starting in 2028.

ENERGY PLANNING

Whether it was setting new goals, creating plans, or reporting on progress, legislators want to see a thoughtful approach to a clean energy future.

Heat Pumps

- State goal of 500,000 new heat pumps in Oregon by 2030 (HB 3409)

Emissions Forecasting

- Oregon Climate Action Commission forecasts state emissions (HB 3409)

Natural & Working Lands

- New carbon sequestration benchmarking and goal setting (HB 3409)

State Energy Strategy

- Economy- and state-wide analysis + options to achieve Oregon's policies (HB 3630)

State Energy Strategy

HB 3630 directs ODOE to develop a comprehensive state energy strategy for Oregon that identifies options and implementation gaps to achieve the state's policy objectives. The state energy strategy must be informed by stakeholder perspectives, existing climate and energy laws, resource plans, studies, and policy goals.

Factors ODOE must consider include:

- energy demands
- resource choices
- environmental justice
- resilience
- land use considerations

RESILIENT COMMUNITIES

With the 2020 Wildfires and the 2021 Heat Dome in mind, legislators were focused on making sure all communities – and utilities - had tools to be more resilient.

Resilience Hubs

- \$10 million grant program for communities to prepare for and respond to disasters (HB 3409)

Energy Resilience Plans

- \$50K for each county to create their own energy resilience plan (HB 3630)

More Incentive Dollars

- Growing the Community Renewable Energy Grant Program by \$20m, to \$45m in 2023-2025 (SB 5506)

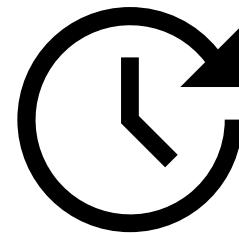
Grid Resilience

- Providing the 15% state match, including staffing, for the IJIA Grid Resilience Program (HB 5016)

ISSUES TO EXPECT NEXT TIME

Major legislation did not pass on these topics, which are sure to come up again

- Energy facility siting
- Nuclear energy
- Sourcing and recycling for renewable energy components
- Renewable hydrogen
- Offshore wind
- Fossil fuel restrictions/protections





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Questions?

LINK: [2023 Legislative Report](#)

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