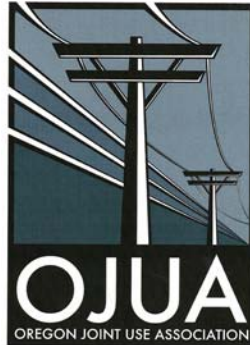


Oregon Joint Use Association



2013 Legislative Summary

OJUA Legislative Committee Chair Richard Gray



*Prepared by
Genoa Ingram, OJUA Staff*

Session Overview

The Oregon Legislature officially began its 77th session on January 14 to organize and reconvened on February 4 for the business of hearing and acting on legislation. The Legislature adjourned 155 days later on the afternoon of July 8, just five days short of the constitutional deadline.

<u>BILLS</u>	<u>House</u>	<u>Senate</u>	<u>Total</u>
Introduced	1,600	910	2,510
Passed (Enrolled)	483	305	788
Vetoed	0*	1+	1
Became Law	483	304	787
Unsigned by Governor	0	0	0

RESOLUTIONS AND MEMORIALS

Introduced	70	99	169
Adopted (Enrolled)	43	23	66

* Sections 99 (4) and (5) and 100 of HB 5008 (three line items) vetoed.

+ SB 215. Emergency clause (section 8) of SB 547 also vetoed

Source: Office of Legislative Counsel, 2013 Statistical Summary

Governor John Kitzhaber, Democrat

OREGON STATE SENATE: 16 Democrats, 14 Republicans.

Senator Peter Courtney (D-Salem), President of the Senate

Senator Diane Rosenbaum (D-Portland), Senate Majority Leader

Senator Ted Ferrioli (R-John Day), Senate Republican Leader

OREGON HOUSE OF REPRESENTATIVES: 34 Democrats, 26 Republicans

Representative Tina Kotek (D-Portland), Speaker of the House

Representative Val Hoyle (D-Eugene), House Majority Leader

Representative Mike McLane (R-Powell Butte) House Republican Leader

INFORMATION ON 2013 INTERIM – 2014 FEBRUARY SESSION

Note: A Special Session is proposed for Sept. 30, 2013

Tuesday, November 26, 2013 – Measure requests are due to Legislative Counsel

Monday, January 13, 2014 – Measure drafts to be returned from Legislative Counsel

Tuesday, January 21, 2014 – Measures must be filed with the Desks by 5 p.m.

Legislative Meeting Days:

**2013: September 16, 17, 18
November 20, 21, 22**

**2014: January 15, 16, 17
May 28, 29, 30
September 15, 16, 17
December 8, 9, 10**

Introduction

The Oregon Legislature convened on February 4, 2013 with the promise that the spirit of cooperation brought about by the 30-30 split between Democrats and Republicans in the 2011 session, would continue. That promise was short lived as controversial issues such as PERS reform, driving privileges for undocumented aliens, and revamping Oregon's tax structure were debated.

While some of the Governor's promised PERS reform was passed into law in the form of SB 822, the "Grand Bargain" between the Governor and the Legislature ultimately failed, although negotiations continued until the final days of the session. The package represented \$5 billion in cuts to government retiree pensions, a tough sale for Democrats, in exchange for \$275 million in new tax revenue, which has consistently been opposed by Republicans.

And, while the Governor signed HB 2800 into law, providing \$450 million in matched funding for the Columbia River Crossing project, Washington State balked at the proposal and voted down their portion of the matching funds, effectively halting the project.

In December 2012, just prior to convening of the 77th Legislative Session, the Governor released his ten-year Energy Plan which included the following components:

1. Meeting 100 percent of new electric load growth through energy efficiency and conservation.
2. Enhancing clean energy infrastructure development by removing finance and regulatory barriers to attract new investment and pursue promising new technologies.
3. Accelerating the market transition to a more efficient, lower-cost and cleaner transportation system, including strategies for fleet vehicle conversion and access to cleaner-burning and more efficient vehicles.

Due, in part, to the level of interest generated by the Plan, a number of bills were introduced relating to solar energy, wave energy, carbon fuel tax, net metering, the renewable portfolio standard and the Energy Supplier Assessment (ESA).

No bills were filed that directly addressed joint use. The purpose of the OJUA Legislative Committee is to offer a sounding board for members considering proposing legislation. We can help improve proposals and offer constructive feedback to improve bills and minimize conflicts before the Legislature. This process allows members to "road test" your ideas and fosters better communication and relationships within the industry. Members are strongly encouraged to submit their proposals to the committee.

Following is a recap of some of the legislation introduced in 2013 relating to energy, utilities and telecom.

Summary of Legislation*

(*Note: Bills with Effective Dates were Passed)

HB 2004 – Public Purpose Charge

Effective Date: June 4, 2013

Chapter: 254 (2013 Laws)

HB 2004 would have modified the circumstances under which additional moneys can be collected from residential electricity customers under public purpose charge expenditure standard. The Oregon Low-Income Home Energy Assistance Program (LIHEAP) is federally funded through the U.S. Department of Health and Human Services and is designed to help low-income households with home heating costs. To be eligible to receive assistance, a household's income must be at or below 60 percent of Oregon's median income, based on household income and household size. Recipients must also have documented energy costs. The program in Oregon is administered by the Department of Housing and Community Services (OHCS).

SB 863 (2011) directed the PUC to collect an additional \$5 million per year for the low-income bill payment assistance program. HB 2004 removes the economic triggers for the collection of the \$5 million additional moneys for the LIHEAP program and instead provides the OHCS Director with authority to request the increase. The measure also directs that an advisory committee be appointed for the purpose of determining to which agency the low-income energy assistance program should be transferred. The advisory committee is to present its findings to the appropriate interim legislative committees no later than December 1, 2013.

HB 2105 – DOE Review of Energy Facility Siting Council

Effective Date: May 14, 2013

Chapter: 107 (2013 Laws)

HB 2105 requires Oregon Department of Energy to review matters related to the Energy Facility Siting Council (EFSC) including: means to encourage consistency of federal, local and state government siting requirements; mechanism to encourage greater participation by local governments during facility siting process; means to encourage public participation in design and siting of facilities; definition of "energy facility" and recommendations for clarification; means to ensure participation by local governments, state agencies and federally recognized Indian tribes; means to ensure efficient and cost-effective recovery of fees expended in review of application for site certificates; and any other matter deemed relevant. It also requires ODOE to submit a report with recommendations for legislation to the Legislature on or before November 1, 2013.

HB 2106 – Energy Facility Siting Council Standards

Effective Date: June 4, 2013

Chapter: 263 (2013 Laws)

HB 2106 directs the Energy Facility Siting Council to specify, by rule, the criteria by which the Council is to make determination that overall public benefit of facility siting outweighs any adverse effects on resource or interest protected by ORS 469.501(1).

Under current law, the Energy Facility Siting Council may issue a site certificate for an energy facility that does not meet one or more of the Council's standards if it determines that the overall public benefit of the proposed facility outweighs the effect of the proposed facility on the resources that the standards were established to protect. HB 2106 directs the EFSC to adopt rules to identify its criteria for making siting determinations based on public benefit.

HB 2108 – Renewable Portfolio Standards

Effective Date: Did Not Pass

Chapter: N/A

HB 2108 would have modified the renewable portfolio standards for small electric utilities to exclude certain sales to single large consumers from the calculation of the percentage of sales to all retail electricity consumers. The bill received no hearings.

HB 2203 – PUD Notification

*Effective Date: January 1, 2014
(2013 Laws)*

Chapter: Chapter 235

HB 2203 requires persons applying for permit to build transmission line with the Energy Facility Siting Council to notify all people's utility districts, municipal utilities, electric cooperative or public utilities in which the transmission line is built. The bill exempts applicants who are people's utility districts, municipal utilities, electric cooperatives and public utilities. It also requires persons under authority of PUC to provide the Commission with the name and contact information of persons responsible for maintenance and operation of power lines on January 2nd of every even-numbered year.

HB 2249 – Willamette River Basin BPA Stewardship Fund

Effective Date: May 16, 2013

Chapter: 121(2013 Laws)

HB 2249 establishes the Willamette River Basin Bonneville Power Administration (BPA) Stewardship Fund, separate and distinct from General Fund. In 2010, Oregon and the BPA entered into a 15-year agreement to permanently settle wildlife mitigation responsibilities for the federal Willamette River Basin Flood Control and Hydroelectric Project in the Willamette River sub basin. The Willamette Project includes 13 multi-purpose dams and reservoirs as part of the Federal Columbia River Power System. The parties to the Willamette River Basin Memorandum of Agreement Regarding Wildlife Protection and Enhancement (MOA) determined that settlement would be accomplished through the protection of an agreed number of acres that, once protected, would permanently settle the federal mitigation requirement. BPA agreed to provide specific funding amounts for the purchase of lands in fee title or conservation easement, as well as the protection and maintenance of this acreage. HB 2249 would establish an account for funds used for long-term operation, maintenance and protection activities of lands purchased under the MOA.

HB 2382 – Termination of Telecom Contracts for Hospice

Effective Date: Did Not Pass

Chapter: N/A

HB 2382 would have required telecommunications contracts between a telecommunications utility and a residential customer to allow the customer to terminate the contract without penalty if the customer enters into a hospice program. The bill was referred to the House Committee on Consumer Protection in January but received no hearings during the session.

HB 2436 – Energy Efficiency/Sustainable Technology Loan Program

Effective Date: January 1, 2014

Chapter: 8 (2013 Laws)

The 2009 Legislative Assembly passed the Energy Efficiency and Sustainable Technology Act. The program was created to provide a financing means for either production of renewable energy or to increase the energy efficiency of residences or businesses while utilizing local workforces to perform the energy efficiency improvements. These loans are paid back through monthly utility bills. HB 2436 modifies requirements for primary contractors and energy project managers participating in the program and adds definitions of “primary contractor” and “utility service territories.”

HB 2439 – Transfers Duties of DOE to PUC

Effective Date: Did Not Pass

Chapter: N/A

HB 2439 would have transferred certain duties, functions and powers related to renewable energy from the Oregon Department of Energy to the PUC. The bill received one hearing but did not move out of committee.

HB 2694 – Oregon Territorial Sea Plan

Effective Date: May 22, 2013

Chapter: 208 (2013 Laws)

Oregon’s territorial sea is defined as the waters and seabed extending seaward three miles from the Pacific coastline. The State Land Board, and the Department of State Lands have jurisdiction over the submerged and submersible land of the territorial sea. In 2009, the Legislature earmarked \$1.3 million for mapping the territorial sea floor, and with additional support from the National Oceanic and Atmospheric Administration, Oregon State University began a mapping project in the Spring of 2010. However, large sections of Oregon’s territorial sea are presently unmapped. HB 2694 seeks to use the development of energy sources as a means to augment Oregon’s territorial sea data. The bill requires anyone authorized by public body to develop energy resources in Oregon’s territorial sea to share the geological and geophysical data with Oregon State University’s territorial sea mapping project starting on January 1, 2014. It also allows the Director of the Department of State Lands to adopt rules or take action necessary to implement Act.

HB 2704 – Transmission Lines on EFU Land

Effective Date: January 1, 2014

Chapter: 242 (2013 Laws)

HB 2704 creates an incentive for placement of associated lines either in existing corridors or rights of way. It also provides conditions for the siting of associated lines on high-value farmland if there is no available reasonable alternative site and requires applicants to present findings on how the applicant will mitigate the negative impacts to the farmland and to farm practices. HB 2704 also provides conditions under which associated transmission lines are necessary for service to the public. The bill requires approval by county governing body or its designee in siting of associated transmission lines if specific conditions are met. Finally, HB 2704 adds associated transmission lines to acceptable uses in exclusive farm use zones.

HB 2713 – Energy from Columbia River Classified Renewable

Effective Date: Did Not Pass

Chapter: N/A

HB 2713 would have specified that electricity generated from hydroelectric facilities located on the Columbia River qualify as renewable energy under the renewable portfolio standard. The bill received no hearings and died in committee.

HB 2791 – Low Carbon Fuel Standard

Effective Date: Did Not Pass

Chapter: N/A

HB 2791 would have repealed the sunset on the provisions related to low carbon fuel standards. The bill received one hearing and died in committee.

HB 2801 – Whole Building Energy Assessments

Effective Date: June 13, 2013

Chapter: 383 (2013 Laws)

HB 2801 allows public purpose moneys invested in cost-effective local energy conservation to be used for whole building energy efficiency assessments and maximizing overall energy efficiency of the building. It also requires certification of a home energy assessor by the Construction Contractors Board (CCB) prior to home energy audit activities. Under HB 2801, the Oregon Department of Energy is authorized to adopt rules under which home energy assessors report home energy performance scores and requires ODOE to maintain database of information. The bill also requires that a state licensed or certified appraiser consider improvements made to the structure of a building that make the building more energy efficient when issuing an opinion on the value of property.

HB 2807 – Energy Supplier Assessment (ESA)

Effective Date: January 1, 2014

Chapter: 656 (2013 Laws)

The energy supplier assessment (ESA) is an assessment on utilities and energy suppliers that is not to exceed .5% of the assessed company's yearly total gross operating revenues. For much of the ESA's history, the amount assessed was between .05% and .07% of the assessed company's yearly total gross operating revenues. The

funds raised through this assessment represent a significant portion of the Oregon Department of Energy's budget. HB 2807 requires the ODOE Director to convene a public meeting with energy resource suppliers and interested parties to provide accounting of projected revenue needed to fund ODOE programs and project allocation of outlays after determining projected revenues and prior to filing forms to compile the Governor's budget. It also reduces the energy resource supplier assessment cap to .375% of supplier's gross operating revenue. The bill was also amended to clarify that additional fees from an assessment will fund programs in addition to actives of the council and the department.

HB 2820 – Definition of “Energy Facility”

Effective Date: January 1, 2014

Chapter: 8 (2013 Laws)

The state Energy Facility Siting Council (EFSC) is responsible for permitting large energy facilities in Oregon. Smaller energy facilities are permitted by the county in which they are sited. The EFSC review process consolidates all state, city, and county standards and permits into a single review. Currently, the authorizing statute regarding solar projects contains two inconsistent standards for determining jurisdiction. The first statute declares a “solar collecting facility using more than 100 acres of land” is under the EFSC jurisdiction; the second statute asserts EFSC jurisdiction is triggered by a solar energy system with 105 MW peak capacity or greater. HB 2820 will clarify the EFSC's jurisdiction depending on type of solar energy facility and whether the proposed site is high value farmland; located on predominantly cultivated land or land that is predominantly composed of class I to IV soil; or other land. HB 2820 adds solar thermal power plants to the energy facility list requiring EFSC approval and provides a definition for “solar photovoltaic power generation facility” as:

- (1) Using more than 100 acres of high-value farmland;
- (2) 100 acres located on predominantly cultivated land or land that is predominantly composed of class I to IV soil; or
- (3) 320 acres located on any other land.

HB 2893 – Solar photovoltaic Energy Systems

Effective Date: May 28, 2013

Chapter: 244 (2013 Laws)

There are two methods that Oregon ratepayers use to be compensated for producing energy through solar or small-scale wind power at or on their homes: 1) net metering and 2) feed-in tariff rates. In Oregon the feed-in tariff program is called the Volumetric Incentive Rate program (VIR Program). Both methods have caps. For net metering, utilities are required to purchase up to "one half of one percent of the utility's or district's historic single hour peak load." For the VIR Program, there is an auctioning system in place. Customers with energy producing systems give bids for how much they would like to sell their generated power to utilities. Under current law, a new auction is held every six months and continues until 25 megawatts is reached or until the program sunsets on March 31, 2014. HB 2893 would extend the sunset of the VIR Program for two years and increase the VIR Program cap to 27.5 megawatts. It would also require the PUC in consultation with ODOE study the effectiveness of programs that incent

solar photovoltaic energy systems and report to the Legislative Assembly on or before July 1, 2014.

HB 2981 – Rural Renewable Energy Tax Exemption

Effective Date: July 2, 2013

Chapter: 612 (2013 Laws)

HB 2981 allows an exemption from ad valorem property taxation under the Rural Renewable Energy Development Program if the governing body of the zone sponsor adopts a resolution waiving requirements and if \$5 million investment is made.

Enterprise zones are designed to encourage business investment through property tax relief. In exchange for locating or expanding into an enterprise zone, eligible (generally non-retail) businesses receive total exemption from the property taxes normally assessed on new plant and equipment for a specified amount of time, which varies between the different enterprise zone programs. To qualify for most enterprise zone programs, companies also need to increase their workforce as well as meet other program requirements.

The Rural Renewable Energy Development (RRED) program is similar to other enterprise zones. The abatement is the standard (3- to 5-year) exemption from local taxes on new property used for renewable energy activities. These renewable energy activities can include those that harness wind, geothermal, solar, biomass or other unconventional forms of energy in Oregon to generate electricity, or produce, distribute or store any of a wide variety of biofuels. Cities, counties or several counties can set up RRED zones in areas outside an urban growth boundary but within their jurisdiction. No RRED zone can contain a project worth more than \$250 million. HB 2981 would allow an exemption from ad valorem property taxes in RRED zones under specified circumstances.

HB 3301 – Electric Vehicle Charging Units

Effective Date: January 1, 2014

Chapter: 438 (2013 Laws)

Due to federally funded projects, numerous charging stations have been installed in public places, businesses and residences throughout Oregon. In 2012, the Oregon Departments of Transportation and Energy announced the opening of charging stations along Interstate 5 in the Willamette Valley. HB 3301 authorizes the owner of a lot in a planned community or a unit in a condominium to install and use an electric vehicle charging station. The bill prohibits a homeowner association or an association of unit owners from prohibiting the installation or the use of a charging station for the personal, noncommercial use by the owner in compliance with requirements.

HB 5011 – Department of Energy Budget

Effective Date: July 19, 2013

Chapter: 630 (2013 Laws)

HB 5011 is the budget bill for the Oregon Department of Energy. The mission of the Department is to reduce the long-term costs of energy for Oregonians. The Legislature approved a budget of \$217,890,886 total funds and 114.02 FTE, which is an 11.9 percent decrease in expenditure limitation from the 2011-13 Legislatively Approved Budget. The decrease in expenditure limitation is primarily due to a decrease in expenditures of Federal Funds related to the American Recovery and Reinvestment Act of 2009 in the 2013-15 biennium.

HB 5012 – Department of Energy Fee Bill

Effective Date: July 19, 2013

Chapter: 291(2013 Laws)

HB 5012 ratifies fees established by the Department of Energy in the 2011-13 interim and approved by the Department of Administrative Services. The fees are established to cover the Department's costs associated with evaluation and matching requests for passing through Business Energy Tax Credit (BETC) certificates to eligible recipients. The fee amount for Department assistance in locating an eligible recipient is 0.25% of the credit amount, with a minimum of \$100 up to a maximum of \$25,000. The fee for issuing tax credit certificates without assistance in locating an eligible recipient is \$100 per tax credit certificate issued. And the fee for transferring a certificate from one recipient to another is \$200.

The agency anticipates taking in and expending \$200,000 Other Funds in the 2013-15 biennium; the BETC program sunsets in 2014, and any revenue or expenditures resulting from the transfer of unexpired credits in the 2015-17 biennium is expected to be minimal.

SB 5043 – PUC Budget

Effective Date: June 4, 2013

Chapter: 8 (2013 Laws)

SB 5043 is the budget bill for the Oregon Public Utilities Commission. The PUC is charged with ensuring that safe and reliable utility services are provided to consumers at just and reasonable rates through regulation and by promoting the development of competitive markets. It does this by regulating investor owned electric and natural gas companies, as well as certain telephone and water companies, and by licensing and regulating Maritime Pilots.

The majority of the agency's expenditures are funded from fees paid by investor owned utilities (see also HB 2807). The Residential Service Protection Fund is funded through a monthly surcharge on telecommunications subscribers. Revenues for the Oregon Universal Service Fund come from telecommunications providers. Federal Funds are available to ensure the safe operation of natural gas pipelines. The Board of Maritime Pilots is fully supported by fees.

The Legislature approved a budget of \$121,608,650 total funds and 127.75 full-time equivalent positions for the agency. This is a 1.8 percent total funds increase from the 2011-13 Legislatively Approved Budget and a 0.5 percent total funds decrease from the agency's 2013-15 current service level.

The Utility Regulation program regulates rates for investor-owned natural gas, electricity, water, and telephone services. The program also works to promote effective competition in these industries. The Legislature approved a budget of \$97,760,332 total (including \$2,444,367 federal funds) and 74.25 full-time equivalent positions for the Utility Regulation program.

SB 203 – Telecom “Low Income Customer” Definition

Effective Date: April 5, 2013

Chapter: 29 (2013 Laws)

SB 203 clarifies “low income customer” defined by PUC via rule.

The PUC manages the Telephone Assistance Program, known as “Lifeline”. To ensure universal service, Lifeline discounts monthly telephone service for eligible low-income consumers. The national monthly average discount is approximately \$9.25. Oregon’s combined subsidy is approximately \$12.75 a month. Eligibility is based on income (participants must be at or below 135% of the federal poverty guidelines) or participate in federal programs such as Medicaid. In recent years, efforts to reduce fraud and waste have resulted in improvements in data collection, including the creation of the National Lifeline Accountability Database. The database built upon efforts from 2011, where the FCC eliminated almost 270,000 duplicate subscriptions from 12 states after a review of over 3.6 million records. SB 203 clarifies that PUC defines “low income consumer” via rule and makes other changes to conform to federal law.

SB 237 – Under-billed Customers

Effective Date: January 1, 2014

Chapter: 170 (2013 Laws)

SB 237 authorizes public utilities to issue a bill or a refund to a customer if the customer was underbilled or overbilled for services provided within one year period provided that one year period did not occur more than two years before the date on which public utility identified the incorrect bill. The bill also provides an exemption for public utilities in case of customer fraud, tampering, diversion, theft, misinformation or other dishonest or unlawful conduct.

SB 242 – “Baseload Electricity” Definition

Effective Date: January 1, 2014

Chapter: 8 (2013 Laws)

SB 242 modifies the definition of “baseload energy” as it relates to Oregon’s greenhouse gas emission performance standard. Under the bill, an electric company, electricity service supplier or a customer of either may petition the PUC to study the greenhouse gas emissions standard to determine whether it is still necessary and whether it should be retained, repealed or modified.

SB 261 – Tax Exemption for Land Leased for Electricity Transmission

Effective Date: October 7, 2013

Chapter: 336 (2013 Laws)

Exempts from property tax property leased to the United States that is used for a high-voltage electricity transmission system in the Pacific Northwest and that may be purchased by the United States for a nominal price after the expiration of the lease or lease-purchase agreement if the debt incurred by the person to acquire the property has been paid.

BACKGROUND: Owners of property that is leased to the United States government may still be liable for the property tax on that property. Previously, the investments made by the Bonneville Power Administration (BPA) in transmission infrastructure were financed by the United States Treasury. With the reduction in borrowing authority from the Treasury, the BPA has been instead using a third-party finance program to invest in transmission infrastructure.

The land and improvements related to this infrastructure are taxable because the land is owned by the third party and not BPA during the financing period.

SB 488 – Low Carbon Fuel Standard

Effective Date: Did Not Pass

Chapter: N/A

SB 488 would have repealed the sunset (of December 31, 2015) on provisions of the low carbon fuel standard statute. In 2009, the Legislature adopted HB 2186, which authorized the Environmental Quality Commission to develop a low carbon fuel standard for Oregon. The Department of Environmental Quality convened an advisory committee of stakeholders to discuss, debate and offer recommendations for various design elements of Oregon’s low carbon fuel standards.

The low carbon fuel standard is currently being implemented in two phases. Phase one, the administrative portion of the clean fuels program, is being implemented now with existing resources in DEQ’s budget. There is currently no identified source of revenue to support implementation of phase two, which is the carbon reduction phase. SB 488 passed out of committee but was narrowly defeated on the Senate Floor by a vote of 14-16.

SB 537 – Carbon Tax Work Group

Effective Date: Did Not Pass

Chapter: N/A

SB 537 would have required the Oregon Department of Energy to convene a work group to investigate and develop recommended strategies to impose a carbon tax. The bill included a sunset date of January 2, 2015.

SB 561 – Energy Tariffs

Effective Date: January 1, 2014

Chapter: 344 (2013 Laws)

SB 561 revises a statute that allows a utility to enter into an agreement with customers to provide installation of renewable energy generation facilities or energy conservation measures. Under these agreements, the utility agrees to assist in the financing of installation or implementation of renewable energy generation, energy conservation measures, or demand reduction or peak load reduction designed for more effective utilization of energy resources. This assistance can be in the form of loans or direct payments to third parties. As part of such an agreement, the customer would then agree to pay a tariff that would be added to their utility bill to allow the utility to recover the cost of financing the project. Agreements for such a “premise charge” are subject to approval by the PUC upon application to the Commission by the utility. SB 561 modernizes the statute relating to these agreements.

SB 606 – Wave Energy Facilities

Effective Date: June 6, 2013

Chapter: 345 (2013 Laws)

Oregon’s territorial sea, defined as three nautical miles from shore, has been identified as a favorable location for siting renewable energy, including wave energy projects. These facilities may vary in type and require other structures and equipment to anchor

to the seafloor and transfer energy to on-shore substations. Part Five of the Oregon Territorial Sea Plan describes the process for making decisions concerning the development of renewable energy facilities in the state territorial sea.

SB 606 clarifies financial assurance and decommissioning requirements for wave energy projects and identifies research needed related to the transmission of electricity from wave energy facilities and devices.

SB 669 – Franchise Fees

Effective Date: Did Not Pass

Chapter: N/A

SB 669 would have prohibited cities from imposing franchise fees, privilege taxes, or another other fees on any special district (defined in ORS 198) for the occupation of streets, alleys, highways or other public property. The bill received no hearings.

SB 693 – Transmission Lines on EFU Land

Effective Date: Did Not Pass

Chapter: N/A

SB 693 would have prohibited power transmission lines with a capacity of 400,000 volts or greater on land zoned for Exclusive Farm Use (EFU).

SB 844 – Voluntary Emissions Reductions

Effective Date: January 1, 2014

Chapter: 607

SB 844 directs the PUC to establish a *voluntary* incentive program for public utilities that furnish natural gas to invest in projects that reduce emissions. The measure specifies criteria for participation, including: that projects reduce emissions (either directly or indirectly), that projects benefit the utility's customers, that the utility would otherwise not make the investment without the incentive, that stakeholders be involved in the development of the project, and that the aggregate effect of projects undertaken by a utility not exceed a rate impact specified by PUC by rule. The measure also outlines application and review processes.

Finally, the bill requires that PUC conduct a biennial study regarding whether federal law, or other state laws, provide adequate incentives for projects to reduce emissions, and directs PUC to submit a report to the Legislative Assembly by February 1 of each odd-numbered year.