

February 12, 2018

Oregon Progressive Party

Position on Bill at 2018

Session of Oregon Legislature:



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SB 1537: Neutral

Dear Committee:

The Oregon Progressive Party is neutral on this bill, which:

- Establishes Oregon Energy Commission as policy and rulemaking body for State Department of Energy.
- Transfers certain duties of State Department of Energy and Director of State Department of Energy to commission.
- Modifies state energy policy.
- Modifies general duties of department.
- Requires department to develop statewide strategic energy plan. Requires commission to adopt plan no later than January 1, 2021.
- Requires department to present draft plan to Legislative Assembly no later than September 15, 2020.
- Requires commission to periodically review and update plan.
- Modifies biennial comprehensive energy report requirements.

We are opposed to HB 4148, because it allows the Governor to appoint two members to the 7-person board who have "who hold a pecuniary interest in, have any contract of employment with, or have any substantial voluntary transactions with a business entity conducting operations that, if conducted in this state, would be subject to the energy resource supplier assessment imposed under ORS 469.421(8)."

(A) "Energy resource supplier" means an electric utility, natural gas utility or petroleum supplier supplying, generating, transmitting or distributing electricity, natural gas or petroleum products in Oregon.

Electric utilities, natural gas utilities, and petroleum suppliers should not have their persons on this board; the conflict of interest is apparent and severe. SB 1537 would not have this severe defect and would not have voting appointees to the board representing utilities. Unlike SB 1519, SB 1537 has an explicit prohibition on appointing persons with conflicts of interest.

We question this bill as written, because it does not make organizational sense. Oregon already has an appointed 7-member board to deal with energy issues, the Energy Facility Siting Council (EFSC). If Oregon really needs a new commission to examine energy issues, the duties of EFSC should be rolled into the new commission. That is how the California Energy Commission (CEC) has been structured since its creation in 1974.

This 6-person commission would not, however, operate like the CEC. The CEC has 5 full-time, paid Commissioners and its own staff. The new proposed commission would consist of volunteers and would not have its own staff. Instead, it would depend upon the Oregon Department of Energy for staff. If the ODOE staff fails to provide information or other assistance that the new commission wants, it will have no power to replace the staff. This is a recipe for gridlock. We suggest that the new commission be in charge of hiring and firing the director of ODOE, if indeed a new commission is to be created.

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