

SB 678 -3, -4, -5 STAFF MEASURE SUMMARY

Senate Committee On Rules

Prepared By: Beth Reiley

Meeting Dates: 6/13, 6/20

WHAT THE MEASURE DOES:

Establishes state policy that benefits from offshore wind energy development go to local and regional communities, ecosystems and environments, and economies and that interconnection of offshore energy projects be carried out in manner that promotes electric grid reliability and resilience. Requires Governor, through Regional Solutions Program, to draft report for consideration by federal Bureau of Ocean Energy Management that identifies state priorities of nonmonetary factors and nonmonetary factor bidding credits to be used in bureau's multiple-factor auction format for awarding offshore wind leases. Requires the Governor to consider and incorporate certain policy goals when identifying state priorities. Requires Governor to release and deliver report to bureau no later than September 15, 2023. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 Modifies policy of the State so that a meaningful share of the benefits from offshore wind energy development go to local and regional communities and that, to the extent practicable, the benefits from offshore wind energy development are reinvested into local and regional economies. Removes direction to the Governor to draft a report, through the Regional Solutions Program, for consideration by the federal Bureau of Ocean Energy Management. Requires the Department of Land Conservation and Development (DLCD) to conduct outreach and engage and coordinate with state agencies, local governments and affected communities to carry out certain policies of state established by the Act. Establishes policy of the state to (1) support engagement between offshore wind energy developers and certain communities and entities; (2) minimize and mitigate adverse effects of survey activity related to offshore wind leasing while maximizing benefits; and (3) promote economic diversification and resilience. Requires DLCD to conduct, or support, federal consistency reviews of offshore wind leasing decision and related actions off the Oregon Coast made by the federal Bureau of Ocean Energy Management. Authorizes DLCD to engage consultant. Requires DLCD to draft report summarizing activities related to Act; review of state policies related to offshore wind development; and provide recommendations for improving state policy. Requires report to be submitted to interim committees of the Legislative Assembly related to energy and development no later than December 31, 2024. Repeals reporting provision of Act January 2, 2025. Appropriates \$250,000 from the General Fund for the biennium beginning July 1, 2023 to DLCD to carry out Act.

-4 Mirrors the -3 amendment but the \$250,000 appropriation to the Department of Land Conservation and Development.

-5 Mirrors the -3 amendment but removes reporting requirement and \$250,000 appropriation to the Department of Land Conservation and Development.

BACKGROUND:

Offshore wind is a renewable energy technology being deployed in shallow waters across the world and is advancing into deeper waters by affixing wind turbine technology to floating platforms. In 2022, the Oregon Department of Energy issued the *Floating Offshore Wind: Benefits and Challenges for Oregon* report (Report). According to the Report, technical modeling has shown potential to develop dozens of gigawatts of offshore wind energy along the southern Oregon and northern California coast.

SB 678 -3, -4, -5 STAFF MEASURE SUMMARY

Senate Bill 678 would establish the state policy that the benefits from offshore wind energy development go to local and regional communities and require the Governor, through the Regional Solutions Program to draft a report identifying certain state priorities.