



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Jason Heuser, Public Policy and Government Affairs Program Manager
DATE: March 25th, 2019
SUBJECT: State Legislative Update

Issue

The 2019 State Legislative Session convened January 28, 2019. This memo is to apprise the Board of key issues of interest to EWEB, and the current status of these issues in the legislative process.

Background

Prior to the start of each legislative session, the Board adopts general policy directives for advocacy at the Capitol, which guide the work of EWEB's lobbying activities. When political considerations test the applicability of those directives, the General Manager makes a determination as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm its policy or direct staff to make necessary adjustments.

Discussion

The following is a summary of state legislative activity in March of interest to EWEB:

HB 2020 – Oregon Climate Action Program/Clean Jobs/Cap and Invest

After the introduction of HB 2020, and two hearings of invited testimony, the Joint Carbon Reduction Committee held three legislative hearings in February for the public to comment. Four additional hearings for public comment were then held around the state in early March, in Springfield, Bend, Medford, and The Dalles, as well as a hearing by video conference from Baker City. Afterwards, in mid-March the leadership members of the Joint Carbon Reduction Committee and the Governor's Carbon Policy Office forwarded a request to Legislative Counsel to have an omnibus amendment to HB 2020 drafted. The amendment is expected to be released the week of March 24th with a hearing of the Joint Carbon Reduction Committee to walk through the bill with staff from Legislative Counsel.

SB 408 – Flexibility in Siting Utility Infrastructure in Exclusive Farm Use (EFU) Zone

SB 408 was approved on March 14th by the Senate on a 30-0 unanimous vote and will now go to the House for consideration. EWEB submitted a letter of support for SB 408, co-sponsored by Senator

Bill Hansell of Pendleton and Senator James Manning of Eugene. This legislation will help utility providers reduce their footprints on farm land by allowing the creation of parcels based on the amount of land actually needed for a utility facility, rather than based on the larger minimum lot sizes associated with the Exclusive Farm Use zone. Because of these large minimum lot sizes, properties in the Exclusive Farm Use zone are often larger than what would otherwise be needed for a utility facility.

HB 2769 – Flexibility to consider price in Qualifications Based Selection (QBS) Public Contracting

This legislation was approved by the House 55-0 on March 21st. EWEB and several other local governments, over multiple legislative sessions, have advocated for restoring some ability for public agencies to consider price in the procurement of professional services such as architects, engineers and land surveyors.

HB 2769 allows local public contracting agencies to evaluate and score price as part of a two-step process. Agencies would issue a request for qualifications as step one and select up to three (3) of the highest ranked firms based solely on qualifications. After the initial qualifications-based selection, local public contracting agencies must then provide a detailed statement of work and request pricing information from the three most qualified firms as part of a second evaluation step. To retain a focus on qualifications, the local contracting agency may use pricing information for up to 15 percent of the points used during this second evaluation step.

HB 2769 was negotiated as a compromise between local governments and professional associations representing architects, engineers and land surveyors. The bill is expected to be approved by the Senate and signed by the Governor.

SB 508 – Authorizing Hydropower to Qualify for the Oregon Renewable Portfolio Standard (RPS)

This bill would allow ALL hydropower to qualify for the Oregon RPS, irrespective of size, vintage, ownership, etc. The legislation would have made no other changes – the percentage targets for renewable energy would go unchanged.

EWEB staff submitted testimony reiterating our core principle that technology-neutral solutions are the most efficient and least cost approaches and that hydropower should be eligible for the RPS. The testimony did acknowledge that making such a change in the RPS would necessitate thoughtful consideration of modifications to other elements of the policy, and would be best handled through a work group and stakeholder process in the interim after session.

It was generally understood that the hearing was primarily for informational purposes and no further action on the bill is expected. It foreshadows the likelihood that Oregon will consider in a future legislative session a “100% Clean Energy Standard” (net), similar to what was approved in California recently and is under consideration presently in the Washington legislature, in which hydropower does qualify and the targets are higher, up to 100 percent renewable (on a net basis -- a small amount of carbon may still be used in the electric sector in these policies).

Recommendation/Requested Board Action

This memo is for informational purposes. No board action is requested.