



Undersea Infrastructure Easements in Oregon’s Territorial Sea (Division 83) RAC Meeting # 3 Summary

April 8, 2026; 9:00 a.m.

Overview

The Undersea Infrastructure Easements in Oregon’s Territorial Sea (Division 83) Rulemaking Advisory Committee was convened by the Oregon Department of State Lands on April 8, 2026, via Zoom. The RAC was convened to provide input on proposed amendments to the administrative rules governing undersea infrastructure easements.

RAC Members and Attendance

Name	Affiliation	Present?
Members		
Cameron Fisher	Environmental Science Associates (ESA)	x
Katie Keil (<i>Alternate</i>)	Environmental Science Associates (ESA)	x
Elaine Albrich	Davis Wright Tremaine LLP	
Eric Chambers	Central Lincoln PUD	x
Jason Busch	Pacific Ocean Energy Trust (POET)	x
Jill Rolfe	Coos County Community Development	
Joanne Morris	Google	x
Kevin Ranegar	City of Bandon	
Greg Miller (<i>Alternate</i>)	League of Oregon Cities	
Lynnae Ruttledge	Community member of Tierra Del Mar (Tillamook County)	x
Sarah McComb	Amazon Web Services	x
Courtney Lee (<i>Alternate</i>)	Amazon Web Services	
Scott McMullen	Oregon Fishermen's Cable Committee	x
Technical Advisors		
Andy Lanier	Department of Land Conservation and Development (DLCD)	x
Laurel Hillman	Oregon Parks and Recreation Department (OPRD)	
Scott Marion	Oregon Department of Fish and Wildlife (ODFW)	x
Staff		
Dana Hicks	Department of State Lands	
Danielle Boudreaux	Department of State Lands	x
Nataliya Stranadko	Department of State Lands	x
Dario Frisone	Department of State Lands	x

Blake Helm	Department of State Lands	
Interested Parties		
Angel Rovira	DSL	x
Lauren Poor	PGE	x
Evan Dowell		x
Samantha Quin		x

Welcome and Introductions

Sylvia Ciborowski, Mosaic Resolutions, welcomed participants to the third meeting of the Rulemaking Advisory Committee (RAC). She introduced herself as facilitator for the process and highlighted the purpose of the meeting as an opportunity to hear background information on undersea infrastructure easements and the rules, including comparison of fees in other states; and to hear RAC input on proposed rules for decommissioning and recovery, encroachment easements, application fees, compensation rates, financial assurance requirements, unauthorized uses and penalties, and appeals.

Department of State Lands (DSL) staff and RAC members introduced themselves.

Agenda Review; Zoom Protocols

Sylvia Ciborowski reviewed the [meeting agenda](#) and noted materials in the packet, which are available on the rulemaking website: <https://www.oregon.gov/dsl/pages/rulemaking.aspx>

Background Information: Fees and Compensation Rates

Nataliya Stranadko, Department of State Lands, provided context on application fees and compensation rates. The presentation included:

- Historical context: DSL conducted informal research on coastal states to understand their fees and processes for undersea infrastructure easements. DSL reached out to 22 states and received responses from 12. The intent was to understand how fees could be established that are attractive and fair as compared to other states.
- Through the study, DSL learned that:
 - Different states use different terms to describe permission for use of the seafloor (terms including easement, leases, and permits).
 - There is no single methodology to establish rates. Most states use a per linear foot calculation, and some negotiate on a case-by-case basis or use another basis.
 - There is no common period for how often states revise fees. They may adjust fees based on CPI annually, revise every five years, or approach it differently.
 - Most states require decommissioning and recovery at the end of the infrastructure’s lifecycle.

- Oregon proposes to use a per linear foot method for a compensation fee, which is the most common method across states. Oregon proposes a compensation rate of \$3 per lineal foot, which is competitive-to-low as compared to other states.
- It is difficult to compare Oregon's fees to Washington's and California's. CA and WA each charge a \$25 "application fee" which is for software submission only. They have additional administrative fees on top of that. CA and WA also have annual rental fees, negotiable natural resource damage fees, and security amounts, which Oregon does not charge. Oregon currently charges a \$5,000 application fee which is meant to cover all administrative costs.
- Other states use a common fee structure for all utilities: uplands and in the territorial sea. The Division 83 fee structure applies only to the territorial sea, which is unique across states.
- DSL proposes to use a fee structure that is guided by simplicity, predictability, and reliability. Using these factors, DSL proposes a compensation rate of \$3 per linear foot, and a per square foot rate for fixtures. All compensation revenue goes into the Common School Fund (CSF). DSL proposes an application fee of \$15,000 for new applications and \$7,500 for renewals, to cover DSL administrative staff to review and process applications. These revenues cover staff time and costs to convene the JART, coordinate with other agencies, review documents, prepare for State Land Board (SLB) meetings, consult with the Department of Justice (DOJ), etc.

Dario Frisone, DSL provided two example calculations for demonstration purposes to show what the new proposed fee structure could look like. DSL does not collect bore pipe length information or cable diameters and had to make some assumptions for these examples.

- Bifrost Cable: Assume this had a bore pipe of 3,615 feet, a bore pipe diameter of 7 inches, a cable diameter of less than 3 inches, and cable of 15,738 feet. Using those variables, the total compensation for a cable like the Bifrost Cable would be \$2,462,580.
- Alaska Northstar Cable: Assume this had a cable length of 18,558 feet and cable diameter less than 3 inches. Using those variables, the total compensation for a cable like the Alaska Northstar would be \$1,113,120.

Members had the following questions and comments on the background information:

- DSL clarified that the compensation rate calculation for length begins and ends with the line of DSL's ownership over the territorial sea.
- Some members were unaware of an annual use rental fee in Washington, and they may have transferred to a one-time rate in recent years.
- A member noted that the New York rate of \$27/linear foot is very high and factors in offshore wind.
- Members wanted to understand why Oregon does not treat upland and in-water easements the same way, as is done in other states. DSL clarified that Oregon has constitutional Trust Lands (generally uplands) and statutory Non-Trust Lands (generally waters of the state) and different laws to manage both.. This is unique and leads to different treatment of uplands and territorial sea easements.

- Staff clarified that under Oregon’s current rules, there is a \$0 compensation fee. However, some cable companies have paid an amount to negotiate a future imposition clause out of their contracts. That amount has typically been \$300,000. While it is not considered a “compensation fee,” it is something that companies have factored into the cost of landing a cable in Oregon.

Discussion and Input on Rules 141-083-0854 to 141-083-0855

RAC members had the following questions and input on these portions of the rules.

041-083-0854 – Application Fees

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- The shift from \$5,000 to \$15,000 for the application fee is a shift to the right.

041-083-0855 – Compensation Rates

- The rate gets substantially higher for cables greater than 3 inches in diameter. It does not seem commensurate with the amount of extra space a thicker cable takes up on the seafloor.
- The cost of compensation is substantially higher under the new rules than what Oregon currently charges.
- It is important to clarify in the rules that the compensation rates and fees do not apply to cables connected to ocean renewable energy infrastructure, which is covered under Division 140. Consider clarifying this in the upfront sections.
- Several members echoed that it is important to have a balance between fair compensation for staff and the needs of the state, while also not disincentivizing important infrastructure from coming to Oregon.
- The fees and rates are generally in the middle of what other states charge, which is a move in the right direction.
- Appreciate that the state is looking at simplicity and predictability. Those are two really important factors.
- Oregon has been perceived as a cheap and easy state in the past. It is important to get a balance between fair costs and benefits and to generate more revenue for the Common School Fund. The proposed fees are moving in the right direction and are acceptable as the minimum that Oregon should charge.
- Another member challenged that Oregon has not been viewed as a cheap and easy place to land a cable, and instead it is the data centers located in the state that make landing a cable in Oregon competitive.
- One member expressed the opinion that landing fiber optic cables is good for Oregon's economy and creates jobs and careers.
- For an industry representative, the compensation rate for a 3-inch cable seems reasonable, but would suggest removing the added cost for data cables over 3 inches in diameter. The member

stated that horizontal directional drilling (HDD) is used to install these cables for the benefit of Oregon's ecosystem and fishing industry, and companies should not be penalized with higher rates for doing so. It would be acceptable to have an uplift in rate based on diameter for other types of infrastructure, but suggest exempting data cables.

- The discount for using sensors is a good idea, but may not be that applicable or used that much. Staff noted that this is a voluntary action and a "window of opportunity" to use current technology for environmental observation and monitoring..
- Another member noted that the rates seem higher than they need to be if Oregon wants to remain competitive in landing cables. Oregon residents get tremendous benefits from cables landing in Oregon, which provide connectivity and boost the economy. Companies are already going to be hindered by increased process due to TSP Part 4 requirements, and this in addition to higher rates could mean companies will choose to land elsewhere. The member stated that the best way to make Oregon attractive would be to add timelines to the process to increase predictability. Staff noted that DSL does not set limitations for review for any other proprietary uses because there are some external factors that DSL cannot control, for example, the State Land Board review and DOJ review as well as the time when the applicant provides additional information. That's why DSL proposes to submit an application at least 180 days before landing a cable, and staff are doing their best to review the application within this timeline. However, external factors may add additional time for review. Also, he study into other state practices showed that other states also do not include timelines in their rules and statutes.

Background Information: Decommission, Recovery, and Encroachment Easements

Nataliya and Dario provided background information on decommissioning and recovery, and the proposed rules on decommissioning, recovery, and encroachment easements. Key points of the presentation included:

- A comprehensive assessment was recently done to understand undersea cable decommissioning and its impact on the environment. A huge boom in fiber-optic cables began in the 2000s, and the number of miles of undersea cables has increased dramatically. In the past, it was normal to leave cables in place, but with the growing number of cables needed to support data and connections as well as energy production, the world finds itself in transition. There is a move across the globe to require the removal of decommissioned cables in order to provide space for new infrastructure and cables, protect the marine ecosystem, and enable the recycling of precious materials in cables. Most states surveyed in DSL's study say they require decommissioning.
- Oregon rules (ORS 274.714) and TSP Part 4 require that holders submit a decommissioning plan to DSL. The proposed Division 83 rules provide more direction regarding what must be included in that plan.
- In some cases, a portion of the cable or infrastructure may need to be left in place. If so, then the proposed rules required that the holder apply for an encroachment easement.

- Reviewed the encroachment easement application process and fees formula. The application process is similar to the new easement application process, but without pre-application meeting requirements.
- The proposed fee for encroachment easements uses a calculation similar to the new easements compensation rate, but with a cost of \$7 per lineal foot. A square footage calculation is used for fixtures.

Dario provided examples of how the encroachment easement fee would have been calculated using two examples: the Edge Cable and AT&T cable.

- Edge Cable: Assume this had a bore pipe length of 1,170 feet and bore pipe diameter of 6 inches. Using those variables, the total encroachment easement compensation fee for a cable like the Edge Cable would be \$4,914,000.
- AT&T Cable: Assume this had a cable length of 3,399 feet and a diameter less than 3 inches. Using those variables, the total encroachment easement compensation fee for a cable like the AT&T Cable would be \$2,379,300.

RAC Discussion and Input on Rules 141-083-0852 to 141-083-0870

RAC members had the following questions and input on these portions of the rules.

- A member asked about the 100-year encroachment easement term. DSL clarified that the 100 years represents a permanent easement and is calculated as a one-time fee.
- Staff clarified that in the actual decommissioning of the Edge and AT&T cables, the companies paid somewhere in the \$70,000-\$100,000+ range. Those amounts were calculated using a different set of rules that apply to upland easements and are not for a permanent term. The actual fees paid are not necessarily comparable to the new proposed encroachment easement compensation fee.

041-083-0852 – Decommission and Recovery

- One member pointed out that if a cable owner can remove cables and infrastructure, they should be required to or pay a fee. However, if they cannot remove something because it would be environmentally damaging to do so or the state prefers that the infrastructure remains on the sea floor, it doesn't make sense to charge the owner a high amount to leave it in place.
- Several members noted the value of leaving the bore pipe in place. Bore pipes can be reused by other cables, and in many cases, it is impossible to or would be incredibly damaging to the environment to remove them.
 - There was a suggestion to exempt the bore pipe from the encroachment easement compensation fee. There was some support for this suggestion, or at least to lessen the fee for bore pipes.
 - Others agreed that leaving the bore pipe in place has value, since it can be reused for other cables.

- There was concern about the encroachment easement compensation fee being applied to outfalls in coastal communities. It could cost the communities a lot if those outfalls are abandoned for any reason. DSL noted that that easements for outfalls are for a very small area as they do not extend far into territorial sea. A member asked for clarifying information on whether the rules would apply to ocean outfalls.
- Suggest having some established criteria for the kind of material that must be removed, and some language and different treatment for material that should stay in place for some environmental or state goal reason. There are cases where it is necessary to leave the material or cable in place. There should not be a punitive fee placed on keeping material in place that is beneficial to the state or environment.

041-083-0853 – Encroachment Easement Application Process

- Members had no specific comments on the application process.

041-083-0856 – Encroachment Easement Application Fee and Compensation

- Several members noted that the fees for encroachment easements are very high and will encourage cable owners to remove as much of the cable as possible.
- From industry perspective, companies looking to land infrastructure in Oregon look at the entire potential worst case cost, which would include application fees, compensation rates, and the potential cost of encroachment easement fees if the entire cable needed to remain on the seafloor. Looking at the whole, the costs do not make Oregon an attractive place to land cables.
- A member noted that the costs for decommissioning also include the recovery cost of getting a ship out to recover cables, which is incredibly expensive and may be equal to or exceed the cost of the encroachment easement compensation fee.

041-083-0857 – Financial Assurance Requirements

- 0857(1) – Suggest the rules specify acceptable financial assurance instrument types and ways the applicant can propose an alternative.
- DSL clarified that the agency requires financial assurance for many of the uses it regulates, and the rules in Division 83 are in line with rules for other uses.

041-083-0860 – Unauthorized Uses and Penalties

- DSL clarified that these rules can apply to situations where an easement expires, the holder does not pursue an encroachment easement, and infrastructure is left in place on the seafloor.
- There was a comment in support of this language.

141-083-0870 – Appeal of Decision

- Suggest restoring a 30-day window instead of the 20 calendar days to make the timeline more consistent with the standard administrative process.

RAC Discussion on Other Rules

RAC members had these comments on other portions of the rules:

041-083-0851 – Renewal Application Review Process

- The renewal application review process should be simpler, given that the cable is already in the ground and likely nothing has changed about it since it was installed.
- A 25- or 30-year lease term would mean that the cable can go to its end of life and renewal is less likely, which is a benefit to the cable owner in terms of revenue generation, and to the state agency because it will not have to process renewals as often.
- 0851(1)(a) – Suggest that terms in a renewed easement should remain the same as the terms included as part of the original easement.

041-083-0800 – Purpose and Applicability

- 0800(3) – Concern about the language: “Unless otherwise determined by the director...” As written, this would give the director the authority to determine that many things are similar in use and subject it to these rules. Suggest deleting the language granting the director this authority. Items (a) through (e) are clearly not part of this, so there shouldn’t be an occasion where the director needs to otherwise determine that they are part of it.
- 0800(3) – Subsection (b) addresses the offshore energy facilities, but it doesn’t specifically mention that the transmission of power from the device to the shore is also not subject to the rule. Suggest adding that for future clarity.

Interested Party Comments

Sylvia invited interested parties to make comments. No interested parties provided comment.

Next Steps

Sylvia and Danielle reviewed the next steps for the process. Members should send any comments on the rules under discussion today to Sylvia, who will coordinate with DSL. Written comments will be put on the record.

RAC members will receive the RAC Meeting #3 meeting summary and recording next week. The next RAC Meeting is on May 6, 2026.

DSL is working to reschedule RAC Meeting #5 to a date in the first week of June. Members were asked to fill out a poll to indicate availability.

At least one week in advance of each RAC meeting, RAC members will receive the meeting agenda and related materials. All materials will be posted to the rulemaking website:

www.oregon.gov/dsl/Pages/rulemaking.aspx.

Adjourn

DSL staff thanked RAC members for their participation and adjourned the meeting.

