



# 2025 Legislative Session Report



**OREGON DEPARTMENT OF ENERGY**

# ODOE LEGISLATIVE REPORT – 2025



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Contact us: <https://www.oregon.gov/energy/About-Us/Pages/Contact-Us.aspx>

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## INTRODUCTION

Oregon's 2025 legislative session began on January 21, 2025 and adjourned on June 27, 2025. There were 3,466 bills, memorials, and resolutions introduced during the session. Of those, the legislature passed 702. At the time of initial publication of this document, the Governor is still in the process of signing bills. This report will be updated periodically to reflect bill signings, which in some cases determine the effective date of legislation.



## ODOE at the Capitol

The Oregon Department of Energy helps Oregonians make informed decisions and maintain a resilient and affordable energy system. We advance solutions to shape an equitable clean energy transition, protect the environment and public health, and responsibly balance energy needs and impacts for current and future generations.

On behalf of Oregonians across the state, the Oregon Department of Energy achieves its mission by providing:

- A Central Repository of Energy Data, Information, and Analysis
- A Venue for Problem-Solving Oregon's Energy Challenges
- Energy Education and Technical Assistance
- Regulation and Oversight
- Energy Programs and Activities

With all these roles in mind, we track each legislative session carefully. This session, the [Oregon Department of Energy shared](#) energy data, information, and analysis and provided energy education about federal funding opportunities for energy and climate change, energy facility siting, nuclear energy, data centers, energy planning, and more. We also tracked 550 bills that could have made changes to regulatory roles and added new programs or activities at the agency, and we provided technical advice to legislators and staff along the way.

As the legislative session closed on June 27, the Oregon Department of Energy was only assigned a few tasks to take on by new legislation. HB 3681 made changes to some elements of our energy facility siting process (see p. 14), and HB 3653 (see p. 13) made changes to state building energy efficiency programs.

## About the 2025 Legislative Session Report

This document is designed with several purposes in mind:

- For energy advocates and policy organizations to use as a quick reference of energy bills during the 2025 session
- For the general public to use as a place for quick, easy-to-read summaries of bills that relate to energy and other issues that relate to the mission or work of the Oregon Department of Energy
- To serve as a record of the bills ODOE tracked most closely during the Legislative session

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Following this introduction, there are three sections:

- *Bills Passed* that relate to energy or the work of the Oregon Department of Energy
- *Budget Bills* that relate to energy or the work of the Oregon Department of Energy
- *Bills Considered* that relate to energy in Oregon, but did not pass

For each bill listed, there is a summary, the effective date, and related Oregon Revised Statute chapter. For more information, click the hyperlinks on the right above each bill summary to go to the Oregon Legislative Information System overview page for each bill. From there, you can find the text of each measure, testimony, and votes on the bills as they moved (or did not move) through the process.

One of ODOE's roles is to provide analysis of energy issues to inform state energy planning, regulation, program administration, and policy development. In that vein, we have also provided a narrative summary of the energy landscape as the 2025 legislative session came to a close.

This is an online report, which means that ODOE can update it – if you see that there's a bill we ought to have included or something else of concern, please email [christy.splitt@energy.oregon.gov](mailto:christy.splitt@energy.oregon.gov).

## A Brief Overview of Energy Issues in the 2025 Legislative Session

The 2025 Legislative Session had some new dynamics compared to recent, previous sessions. Legislators introduced more bills than usual, which surfaced more topics but also caused some bottlenecks related to timelines and analysis. A new leadership team was at the helm in the House, and the Senate was still recovering from a partisan divide that led to the denial of quorum to do business for nearly six weeks in 2023. Most significantly, there were fewer resources to fund existing and needed state programs.

The end of one-time funding related to the pandemic and economic fallout, as well as rising costs, left gaps in the budget that legislators knew were coming. There was also a well-understood shortfall at the Oregon Department of Transportation; a transportation package was under development as session started, after a legislative roadshow in mid-2024. Additionally, the change in federal administration brought both risk to federal funding for state programs and overall economic uncertainty, leading to an even further decline in expected revenue. After the May Revenue Forecast, legislators had to cut approximately \$500 million from the Governor's and Co-Chairs' Budgets and consider how to set money aside in case of future federal cuts to education and health care programs.

Energy work in the state agencies was not spared from expected or unexpected funding cuts. Newly established incentive programs including the Oregon Department of Energy's heat pump and solar rebate programs, the Oregon Health Authority's Healthy Homes Program, and the Oregon Department of Human Services' Community Resilience Hubs received no new funding and will be mostly closed until further funding is made available. Meanwhile, the Oregon Department of Energy's Community Renewable Energy Grant Program will run out of funds next year. No landmark new climate or energy programs were passed into law.

However, there were major policies that passed into law related to energy. In the wake of recent rate increases, important changes will be made to the ratemaking process for Oregon's state-regulated utilities. HB 3179, which was referred to as the FAIR Energy (Fairness & Affordability in Residential Energy) Act, will require the Oregon Public Utility Commission to consider the cumulative economic

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impact on customers of proposed rates, require utilities to provide more transparency about what proposed rates are covering, and prohibit some rate increases from taking effect within 18 months of a prior rate case (see p. 11). HB 3546, which was referred to as the POWER (Protecting Oregonians with Energy Responsibility) Act, seeks to protect ratepayers from the increased costs of building out the grid to accommodate new data center load growth (see p. 13). SB 688 directs the Oregon Public Utility Commission to develop and implement a framework for carrying out performance-based regulation of electric companies; performance-based regulation provides opportunities to consider additional goals and benchmarks when setting utility rates beyond the traditional focus on the prudence of system investments (see p. 16). HB 3792 will double the funding for the Oregon Energy Assistance Program from \$20 million to \$40 million a year (see p. 14).

Additionally, while resilience programs largely went unfunded, policy changes were made to promote resilience projects. Two bills passed to make it easier to develop microgrid projects in Oregon. A microgrid refers to a group of interconnected loads and distributed energy resources that support local community energy resilience by powering a small community or business during an outage and that can provide services to the larger electric grid. HB 2065 allows the use of contractors to carry out required interconnection studies for microgrids and HB 2066 requires PUC to create a regulatory framework for the integration of microgrids into the energy system. See pages 7-8 to read more about these bills.

Finally, the transportation sector, which comprises 36.7 percent of energy use in the state according to Oregon's *2024 Biennial Energy Report*, was a hot topic this session. As mentioned, a budget shortfall at the Department of Transportation had created a sense of urgency around a transportation funding package. In the last two decades, there have been two such packages – one in 2009 and one in 2017. These bipartisan packages made up for years of underinvestment in the transportation sector and supported both new roads and road maintenance and provisions to support safety, non-road transportation, transit, and — especially in 2017 — support for electrification and reduced vehicle miles traveled. While groundwork was laid and much work done before the 2025 session, the package was not released as legislation – HB 2025 – until June 6. HB 2025 faced opposition in large part because it would have increased taxes. The bill passed out of committee, but did not come up for a floor vote. There was an attempt to pass a different bill, HB 3402, just to fund the Oregon Department of Transportation on the last day of session, but it also did not move forward. You can read more about the transportation package on page 24.

The transportation package was not the only unfinished business in the energy sector. Utilities entered the session with a focus on addressing liability after wildfires. With recent lawsuits in Oregon and elsewhere leading to utilities becoming at risk of insolvency, Oregon utilities of all sizes wanted to find a path to protect them from a similar fate. Meanwhile, others wanted to ensure that Oregon ratepayers were not on the hook to pay for damages awarded after wildfire lawsuits. The latter concern was the focus of SB 926, which would have outlawed raising rates to pay for damages; the bill passed out of the Senate but did not pass out of the House. Meanwhile, the House had considered HB 3666, which would have created a safety certification process to demonstrate due diligence by utilities. While that bill moved out of committee, with some elements of SB 926 included, the bill never moved to a vote of the full House. In the last week of session, HB 3984 was introduced and included most of the concepts in HB 3666. HB 3984 passed the House, but the session closed before it had time to be considered by the Senate. You can read more about all three of these bills on page 20.

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Other energy and climate bills that did not make it through the legislative process included a navigation program to help Oregon residential customers connect with incentives for energy efficiency (HB 3081; see p. 25), multiple approaches on bringing nuclear facilities to Oregon (see p. 19), and proposals to increase safety and resilience around fuel storage (see p. 22). Because legislation that did not pass in one session often comes back for future consideration, we include a robust list of bills that did not pass, starting on page 20.

## Bill Information: Effective Dates, Operational Dates, Publication

### Normal Effective Dates

ORS 171.022 provides that unless otherwise stated, all bills take effect on January 1 of the year after the bill is signed into law. This means that unless a bill specifically names a different effective date or has an emergency clause, the bill will take effect on January 1 of the next year.

### Emergency Clause

The Oregon Constitution prohibits a bill from taking effect “until ninety days from the end of the session” unless an emergency is declared. An emergency clause will appear in the bill if it is to take effect before the 91st day after adjournment sine die. Bills with emergency clauses are not subject to a referendum of the voters; all other bills are subject to possible referral under the Oregon Constitution. Because of this provision, the Constitution gives the Governor the power to veto an emergency clause without affecting the rest of the bill. The Constitution also prohibits the use of an emergency clause in bills that regulate taxation or exemption. An emergency clause must apply to an entire bill.

### Operative Date

If a bill requires administrative preparation before the bill is fully operative, an operative date is used to delay operation of all or part of the bill. If an operative date is used, the entire bill takes effect on its effective date. However, a specified part of an Act does not become operational until a later specified date. It is important to distinguish between items that are authorized on and after the effective date, and items that are not authorized until the operative date.

**Example** of an emergency clause for a bill that will take effect on its passage:

SECTION 30. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

Note: A bill with an emergency clause takes effect when the Governor signs it, not when passed by both houses of the Legislative Assembly.

**Example** of an emergency clause for a bill that takes effect on a specific date after passage but before the 91<sup>st</sup> day after the end of session:



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SECTION 30. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect July 1, 2025.

## Bill Publication

Copies of the 2025 enrolled bills (the copy the Governor signs) may be found on the legislative website: <https://olis.oregonlegislature.gov/liz/2025R1/Measures/GovernorSignedBills>. Measures signed into law are known as “session laws” and are available on the legislative website under Oregon Laws. Permanent Laws passed during the 2025 Legislative Session will not be codified until the 2026 edition of Oregon Revised Statutes is released.

## LEGISLATION PASSED

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### HB 2065: Interconnection Studies for Microgrids

[HB 2065](#)

**ORS: Chapter 25, 2025 Laws**  
**Effective Date: September 26, 2025**

HB 2065 would allow developers of community renewable energy projects and/or microgrids in investor-owned utility service territories to hire a contractor to complete interconnection studies. Utilities are required to designate a liaison to support contractors and must provide the data necessary for a study to be completed. Provisions are made for a utility to be able to redact sensitive data and identify proprietary information. Costs incurred by the utility shall be reimbursed by the developer. A study completed under the provisions of this bill is to be considered final if it is stamped by a professional engineer.

Utilities are required to meet timelines for providing data and reviewing studies. Final authority to approve the interconnection rests with the utility. Interconnection studies could also be completed by the interconnecting utility, and the utility may also hire a contractor.

The bill only applies to microgrid project interconnections under the purview of the state. Projects falling under Federal Energy Regulatory Commission jurisdiction are exempt from the bill. An additional limitation of \$335,136 is provided for the Oregon Public Utility Commission to collect revenue associated with administrative costs associated with the bill.

To learn more, please refer to the [Resilient Microgrids Technology Review](#) in the 2020 Biennial Energy Report.

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## HB 2066: Regulatory Framework for Microgrids

[HB 2066](#)

ORS: Not Yet Assigned

Effective Date: September 26, 2025

HB 2066 directs the Oregon Public Utility Commission to establish a regulatory framework for allowing the ownership, deployment and use of microgrids and community microgrids within the territories of Oregon's investor-owned utilities. This framework is due March 26, 2027; there was a legislative statement allowing for more time if necessary. The framework must consider fair compensation when the owner of a microgrid sells excess power back to the grid, provide standards for coordination and collaboration between microgrid operators and electric companies, and recognize the value of microgrids to the entire energy system. A process is also created for municipalities within consumer-owned utility territories to establish microgrid zones, if approved by the relevant COU governing body.

## HB 2069: Task Force on Tribal Consultation

[HB 2069](#)

ORS: Not Yet Assigned

Effective Date: July 17, 2025

HB 2069 establishes the Task Force on Tribal Consultation 2025, which consists of 17 members, including one from the Legislative Commission on Indian Services, a representative from the Governor's office, one from each of the nine federally recognized Tribes in Oregon, four members representing state agencies who are required to engage in Tribal consultation under Section 1, Ch 531 Oregon Laws 2023, and legislators. A report on findings toward improving Tribal consultation processes is due by September 15, 2026. The Oregon Department of Energy cares deeply about gathering insights from Tribal communities and will integrate lessons learned from this process into our work.

To learn more about our work with the Nine Federally Recognized Tribes in Oregon, please refer to our [annual reports](#).

## HB 2081: Requiring Climate Change Analysis by State Treasurer

[HB 2081](#)

ORS: Chapter 433, 2025 Laws

Effective Date: September 26, 2025

HB 2081 directs the Oregon Investment Council and State Treasurer, in the State Treasurer's role as investment officer for the council, to: (a) Actively analyze and manage the risks of climate change to the Public Employees Retirement Fund; (b) Analyze how the integration of climate change analysis will help to achieve overall portfolio return objectives; (c) Pursue the goal of reducing the carbon intensity of the fund through a preference for investments that reduce net greenhouse gas emissions in order to participate in the energy transition; and (d) Provide a report to the Legislative Assembly each biennium

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about the progress toward an investment program that addresses the impact of climate change factors on the investment portfolio. While HB 2081 passed into law, there were other related bills that did not pass: HB 2200, HB 2571, HB 3250, and SB 681.

## **HB 2307: New Lighting Extension for School Districts**

[HB 2307](#)

**ORS: Chapter 195, 2025 Laws**

**Effective Date: May 28, 2025**

This bill adds school districts as an exception to a prohibition of sale on fluorescent lamps passed in 2023 and allows school districts to purchase fluorescent lamps until January 2, 2030. School districts indicated that they have a lack of funding to upgrade all their fluorescent lighting to the appropriate LED options by the time that they would no longer be able to purchase fluorescent lamps. They were working on different plans to shift project funding, complete school lighting upgrades in phases, keep partially used fluorescent lamps for backup in other schools, or perhaps purchase extra fluorescent lamps prior to the ban on the sale to give them additional time for the lighting upgrades. This bill will help school districts better plan and prepare for the change in practice with their lighting upgrades.

## **HB 2375: Light Mitigation for Wind Energy Facilities**

[HB 2375](#)

**ORS: Chapter 74, 2025 Laws**

**Effective Date: January 1, 2026**

HB 2375 prohibits a wind power generation facility from operating or being repowered unless an application for a light mitigation technology system has been submitted to the Federal Aviation Administration. If approved by the FAA, the light mitigation technology system must be installed within 24 months.

## **HB 2565: Contracting with National Labs**

[HB 2565](#)

**ORS: Chapter 40, 2025 Laws**

**Effective Date: September 26, 2025**

HB 2565 amends ORS 279A.025, Application of Public Contracting Codes, Section 2 to include federally funded research and development centers in the list of entities excluded from public contracting code. Currently, federally funded research and development centers are not treated as governmental entities under state law, but as private contractors; these centers are owned by the federal government and operated by contractors. This, coupled with the limitations imposed on federally funded research and development centers that bar them from responding to requests for proposals, has resulted in a lack of

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mechanism for ODOE and other state agencies to contract with them. Specific to energy, the U.S. Department of Energy’s 16 national laboratories are a valuable resource for objective research and in-depth technical support and data. HB 2565 would amend the public contracting code to treat federally funded research and development centers as governmental entities and allow ODOE, and other agencies, to contract with these centers via an intergovernmental process for future work. Federally funded research and development centers are defined as those that the National Science Foundation, or a successor agency, includes in the Master Government List of Federally Funded R&D Centers.

## **HB 2567: Changes to Heat Pump Programs**

[HB 2567](#)

**ORS: Chapter 76, 2025 Laws**  
**Effective Date: January 1, 2026**

HB 2567 makes changes to the Oregon Department of Energy’s existing heat pump incentive programs, the Community Heat Pump Deployment Program and the Oregon Rental Home Heat Pump Program.

Regarding the Community Heat Pump Deployment Program, the bill replaces prioritization of “environmental justice communities” with “disadvantaged community,” defined as a community that has a socioeconomic burden and an environmental, climate, or other burden, bringing the program in line with federal law. HB 2567 also amends statute to allow ODOE to set the administrative and marketing expense cap for program administrators in program rule, removing the 15 percent limit currently set in statute. The bill also removes the language that restricts program administrators from sharing incentive recipient information, such as names and addresses, with ODOE; this will allow for better reporting on, for example, the general location of projects funded by the program. In turn, the bill requires program administrators to use best practices to protect the personal information of those who apply for and/or receive incentives through the program. Finally, the bill allows ODOE to directly award any funding that is added to the Heat Pump Deployment Fund to eligible entities that are already regional program administrators.

Regarding the Oregon Rental Home Heat Pump Program, the bill extends the sunset date of January 2, 2026 to January 2, 2032. The bill also adds a requirement for ODOE to submit a program report to the Legislature by November 30 of each even-numbered year. Finally, the bill allows ODOE to provide additional incentives to contractors who install heat pumps in frontier and rural areas. These areas are currently underserved by the program.

While each of these programs has limited funding available at the time of the publication of this report, neither received additional funding for the next biennium. While it is possible that some remaining funds will be available when this bill goes into effect, most of the changes would only go into practice if the Legislature allocated more funding for the programs. The exception is that the extension of the sunset date for the rental home program will allow more time for the limited remaining funds, which are only available to members of certain Tribes, to be spent and continue reporting requirements for that program.

## **HB 2688: Prevailing Wages for Manufactured Components in Public Projects**

[HB 2688](#)

**ORS: Not Yet Assigned**

**Effective Date: September 26, 2025**

HB 2688 would require manufacturers of “bespoke” building components that are manufactured offsite to pay prevailing wages to their employees if those components are used in a public works construction project. This includes any components of a mechanical system (HVAC and other), electrical, boiler, iron work, masonry, insulation, fabrication, and prefabrication. There are specific requirements for components that will trigger the requirement, which will need to be clarified in rule. Rulemaking authority is granted to the Bureau of Labor and Industries.

## **HB 3179: Changes to PUC Ratemaking Process**

[HB 3179](#)

**ORS: Not Yet Assigned**

**Effective Date: July 17, 2025**

HB 3179 requires the Oregon Public Utility Commission to consider the cumulative economic impact on residential ratepayers when determining whether a proposed increase or change to residential rates by electric or natural gas companies is “fair, just and reasonable.” The bill authorizes OPUC to adjust requested rates to mitigate increases “if the increase is of such magnitude that, if applied at the higher rate or all at one time, the increase would affect the ability of residential customers to maintain adequate utility service.” However, the bill allows the OPUC to consider and approve future cost recovery from customers of any amounts that were subject to rate mitigation.

Under current law, electric and natural gas companies may apply to the OPUC to finance all or part of rate recovery expenditures by issuing bonds. HB 3179 adds the following to the list of eligible rate recovery expenditures: a capital investment that will cause residential rates to increase by more than 5 percent or will significantly impact affordability of residential rates; retiring generation assets; planned or past remediation of contaminated sites; or events in which the availability of electricity or gas within regional energy markets is “significantly constrained.” Under HB 3179, OPUC may require a company to analyze and report on costs, benefits and risks of financing rate recovery expenditures, including factors such as intergenerational equity and the current and future percentage of customers’ utility bills that would be dedicated to rate recovery bond payments.

HB 3179 prohibits companies from increasing residential rates between November 1 and March 31. The OPUC also must require each electric and natural gas company to, at least annually, file with the commission and make publicly available a report on any rate adjustments that the company expects within the next 12 months. HB 3179 also mandates that electric and natural gas utilities in Oregon provide the public with a visual representation of cost categories that are included in the utility’s residential customer rates.



## HB 3336: Grid Enhancing Technologies

[HB 3336](#)

ORS: Chapter 391, 2025 Laws

Effective Date: September 26, 2025

HB 3336 requires Portland General Electric and PacifiCorp to file a plan for using grid enhancing technologies where doing so is cost-effective. Grid enhancing technologies, often called GETs, can help to increase transmission capacity; increase transmission reliability; reduce transmission system congestion; reduce curtailment of renewables and non-emitting energy resources; increase capacity to connect new renewables and non-emitting energy resources; and reduce risk of wildfires. HB 3336 defines GETs as any hardware or software technology that enhances the performance or improves performance efficiency of a transmission system, and includes examples like storage, advanced reconductoring, and dynamic line rating.

Under HB 3336, initial plans must be filed with the Public Utility Commission as a separate section of, and concurrently with, the next integrated resources plan or clean energy plan filing that occurs after the effective date of this new law. Then, GETs plans must be updated with each subsequently filed Integrated Resource Plan/Clean Energy Plan or updated IRP/CEP. These plans must identify short-term actions that can reasonably be carried out before 2030, as well as longer-term actions. The PUC must also require PGE and PAC to conduct an analysis of alternatives to determine the cost-effectiveness and timetable of multiple strategies, including those that use GETs, any time PGE or PAC files a resource or grid investment plan proposing additions, improvements, or modifications to a transmission system. Finally, HB 3336 explicitly grants decisions on applications for installing proposed GETs projects for existing transmission lines that are 57 kV or larger to the local government with jurisdiction over the transmission line if the proposed project, including any modifications to substations or transformers, is sited entirely within the existing footprint of a utility right-of-way or private easement and does not add additional transmission lines or substations.

To learn more about GETs, please refer to the [Alternatives to New Transmission 101 article](#) in the 2024 Biennial Energy Report.

## HB 3365: Climate Change in Academic Content Standards

[HB 3365](#)

ORS: Chapter 445, 2025 Laws

Effective Date: January 1, 2026

HB 3365 requires the Oregon Board of Education to ensure that any revisions to the academic content standards for science, health, history, geography, economics, and civics include standards that address the causes and effects of climate change and strategies for mitigating, adapting to, and strengthening community resilience to those causes and effects.

## HB 3546: Rate Class for Large Energy Use Facilities

[HB 3546](#)

ORS: Chapter 323, 2025 Laws

Effective Date: June 16, 2025

HB 3546 requires the Public Utility Commission and investor-owned utilities to establish new terms and conditions of service specific to large data centers and similar loads called large energy use facilities. HB 3546 defines large energy use facilities as facilities able to use 20 megawatts or more and that are primarily engaged in providing a service described under code 518210 of the 2022 North American Industry Classification System. This reference refers to computing infrastructure providers, data processing, web hosting, and related services. From September 2026 until January 2035, the Public Utility Commission must report every two years on trends in load requirements and other implications from large energy use facilities and other large electricity consumers. HB 3546 is intended to strengthen ratepayer protections against unwarranted cost-shifting and other risks posed by growing data center loads.

## HB 3653: Energy Performance Contracts

[HB 3653](#)

ORS: Chapter 61, 2025 Laws

Effective Date: September 26, 2025

HB 3653 is meant to streamline the Energy Savings Performance Contracting (ESPC) process. The updated bill includes three pieces: defining energy performance guarantee, defining qualified energy service company, and allowing a contracting agency to omit competitive procurement for an energy performance contract if there is a pre-negotiated performance guarantee. If this route is taken, a contracting agency would also need to follow DOJ procurement rules and use a qualified energy service company (ESCO) from ODOE's prequalified list.

State agencies work with contractors, in some cases ESCOs, for projects in their buildings. When conducting a project, there are a variety of measures the contractor and agency may engage in, including energy audits, building commissioning, and communication with the Oregon Department of Energy for approval. When an agency is looking for services, it typically needs to engage in a competitive bid process which can be lengthy and usually requires contracting with the lowest bid, which could sometimes omit some more costly in the short term — but environmentally necessary — items including energy efficiency and sustainability. This bill could spur more energy efficiency, reduce time spent on competitive bidding, and give some assurance that measures save the energy predicted by holding the ESCO to an Energy Performance Guarantee, as required by this bill.

This bill also added the ability to include renewable energy projects into the ESCO contracts, in addition to the typical energy efficiency measures performed under performance contracts. It will be up to agencies to make sure that ESCO projects include energy savings work and don't simply add more renewable generation to meet the savings guarantees in each contract.

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ODOE maintains a list of pre-qualified Energy Service Companies (ESCOs) to perform services on [our website](#).

## HB 3681: Energy Facility Siting

[HB 3681](#)

**ORS: Chapter 305, 2025 Laws**  
**Effective Date: January 1, 2026**

HB 3681 was one of a package of bills to come from an interim work group focused on how to make it easier to site energy transmission projects. This work group and the bill were led by Rep. Gamba; the work group consisted of mostly renewable energy development interests, state agencies, and other legislators. The bill as passed consists of mostly modest changes to the state's energy facility siting process, including:

- Energy Facility Siting Council (EFSC) must make every effort to conclude a contested case proceeding and issue a final order within one year from the issuance of a proposed order
- Establishes the minimum length of time from the issuance of a site certificate to the date by which a project must begin construction to six years
- Requires that final orders approving or rejecting a site certificate or amended site certificate include findings from contested cases
- Clarifies that judicial review of EFSC decisions is conferred solely on the Oregon Supreme Court
- Establishes that to have standing to appeal an EFSC decision, an entity must be able to demonstrate injury
- Allows a certificate holder to request a change in site boundary without a site certificate amendment
- Allows EFSC to set in rule when a contested case process is necessary as part of consideration of an amendment

The bill also includes some changes to PUC's role in energy facility siting, specifically around certificates of public convenience and necessity (related to eminent domain).

## HB 3792: Increased Funding for Oregon Energy Assistance Program

[HB 3792](#)

**ORS: Not Yet Assigned**  
**Effective Date: September 26, 2025**

HB 3792 increases the minimum amount collected from customers of Portland General Electric and Pacific Power from \$20 million to at least \$40 million. It also caps the maximum amount paid per customer site at \$1000. The bill also directs the Oregon Public Utility Commission to assess if the total amount collected needs to be raised every two years and issue a report if it is increased by more than 2.5 percent. That report can also include recommendations to raise the per customer site amount.

## **HB 3863: PURPA Standard Contracts and Payments for Solar**

[HB 3863](#)

**ORS: Chapter 149, 2025 Laws**

**Effective Date: September 26, 2025**

Size thresholds for solar facilities in Oregon that are eligible for standard rates and contracts under the Public Utility Regulatory Policies Act have changed over the years. Projects that exceed the eligibility for standard rates and contracts must negotiate with utilities to set power prices. In 2005, the PUC allowed projects up to 10 MW to qualify for standard rates and contracts as proposed in this bill. In 2016, that threshold was reduced to the current 3 MW threshold for solar facilities only. This bill returns standard rates and contracts for all qualifying facilities, including solar, to the 10MW threshold.

To learn more about PURPA, please refer to the [PURPA 101 article](#) in the 2022 Biennial Energy Report.

## **HB 3874: Siting of Wind Energy Facilities**

[HB 3874](#)

**ORS: Chapter 162, 2025 Laws**

**Effective Date: January 1, 2026**

HB 3874 changes the EFSC jurisdictional threshold for wind power generation facilities from 50 MW average (150 MW nameplate capacity) to 100 MW average (300 MW nameplate capacity). This means that for projects under 100 MW, counties can have jurisdiction. Developers can choose between EFSC and county jurisdiction in these cases. HB 3874 requires wind power generation facilities of this size to have a decommissioning plan inclusive of bonding or other security.

## **HB 3963: Extending Deadline for Offshore Wind Roadmap**

[HB 3963](#)

**ORS: Not Yet Assigned**

**Effective Date: September 26, 2025**

Enacted in 2024, HB 4080 directs the Department of Land Conservation and Development to develop an Oregon Offshore Wind Roadmap that identifies standards that must be considered in approval processes related to developing an offshore wind project. HB 3963 extends the deadline for the roadmap from September 1, 2025, to January 1, 2027.

## **SB 685: Hydrogen Blending Notification**

[SB 685](#)

**ORS: Chapter 328, 2025 Laws**

**Effective Date: June 16, 2025**

This bill requires natural gas utilities to provide at least 60 days' notice to the Public Utility Commission and to any utility customers affected that they plan to increase the amount of hydrogen blended into their pipelines, if the volume of hydrogen to the volume of natural gas will be, for the first time, greater than 2.5 percent. The PUC notice must include 1) the reason for the hydrogen increase, 2) any required siting or permitting approvals, 3) a description of public outreach conducted, and 4) any other information request by the Commission. The bill also requires natural gas utilities that have hydrogen blending program to maintain on the utility's website information regarding the utility's program and how a customer may communicate with the utility about the program.

## **SB 688: Performance-Based Ratemaking**

[SB 688](#)

**ORS: Chapter 538, 2025 Laws**

**Effective Date: January 1, 2026**

This bill allows the Oregon Public Utility Commission to develop and implement a framework for carrying out performance-based regulation of electric companies. In general, performance-based regulation moves away from a cost-driven model and instead encourages utilities to meet certain goals or targets, which then become part of the consideration in making regulatory decisions. This concept can promote the public interest and could allow the consideration of reducing emissions, for example, in ratemaking and other decisions. SB 688 includes the following as the public interests for consideration in the PUC framework: (a) Reducing greenhouse gas emissions; (b) Increasing energy efficiency; (c) Improving electric utility reliability and resiliency; (d) Developing distributed energy resources; (e) Enhancing services for low-income customers; and (f) Improving the efficiency of utility operations to reduce costs to ratepayers.

## **SB 726: Landfill Emissions Monitoring**

[SB 726](#)

**ORS: Chapter 329, 2025 Laws**

**Effective Date: September 26, 2025**

SB 726 requires the owner or operator of a municipal solid waste landfill located in Benton County to conduct surface emissions monitoring and data collection. The Environmental Quality Commission will set rules determining how the landfill operator will conduct the monitoring and data collection, as well as when and how emissions must be mitigated. The bill as introduced would have applied to all landfills and was amended to apply to just one, Coffin Butte.



## **SB 825: Removing Redundant Energy Reports**

[SB 825](#)

**ORS: Chapter 91, 2025 Laws**  
**Effective Date: January 1, 2026**

SB 825 will eliminate elements of the State Energy Efficient Design (SEED) program that are also required by the new Building Performance Standard (BPS) Program. This will streamline the process for state agencies by removing redundant reporting requirements and benchmarking creation, making more efficient and effective use of staff resources. Additionally, SB 825 removes outdated references to previous state agency energy reduction goals. SB 825 also removes no longer needed reporting requirements for the Small-Scale Local Energy Loan Program (SELP).

## **SB 843: Removing Obsolete PUC Reports**

[SB 843](#)

**ORS: Chapter 232, 2025 Laws**  
**Effective Date: January 1, 2026**

SB 843 will eliminate the requirement for the OPUC to submit biennial reports to the legislature relating to the volumetric incentive rates pilot program. House Bill 3039 (2009) directed the OPUC to establish a pilot program to demonstrate the use and effectiveness of volumetric incentive rates (VIR) and payments for electricity delivered from solar photovoltaic (PV) energy systems within IOU service territories. The bill also required the PUC to submit biennial reports to the Legislative Assembly. The VIR program was fully subscribed by the end of 2015. The last OPUC report was submitted in January 2024.

## **SB 827: Storage Only in the Oregon Solar + Storage Rebate Program**

[SB 827](#)

**ORS: Chapter 230, 2025 Laws**  
**Effective Date: January 1, 2026**

SB 827 modifies the existing Oregon Solar + Storage Rebate Program to allow the provision of rebates by the Oregon Department of Energy for energy storage systems that will be paired with previously installed solar electric systems. The bill also allows the agency to adopt provisions by rule for consumer protection and restricts the amount available for storage-only rebates to no more than 25 percent of the funds available for rebates in a calendar year. SB 827 also changes the reporting requirement for the Oregon Department of Energy, so that rather than reporting on the previous *calendar* year by September 15 each year, the Department are required to report on rebates during the previous *fiscal* year by September 15 of each year. The Oregon Solar + Storage Rebate Program is currently unfunded, so these changes would go into practice only if the program is funded in the future.

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## SCR 34: 2026 Legislative Assembly Rules

[SCR 34](#)

Filed with Secretary of State

Every legislative session, energy policy is discussed and addressed — and ODOE expects that there will be energy policy-related measures in the 2026 session as well. SCR 34 sets out the following limitations for the 2026 Legislative Session, when legislators next plan to come together for a regular session:

- Members of both the House and Senate may request and introduce no more than two measures.
- Committees may request and introduce no more than three measures.
- The Governor and Chief Justice may each request and submit no more than three measures.
- The limitations on the numbers of measures do not apply to the President of the Senate, the House Committee on Rules, or in certain cases, the Joint Committee on Ways and Means and the committees on conduct.
- Legislators and committees must submit requests for draft measures to the Office of the Legislative Counsel by 5:00 p.m. on November 21, 2025.
- The Office of the Legislative Counsel must deliver drafts of measures to requesters by 5:00 p.m. on January 9, 2026.
- Requestors of measure must submit drafts for introduction to the Senate Desk and the House Desk by 5:00 p.m. on January 16, 2026.
- The deadlines for submission of requests or measures do not apply to the President of the Senate, the House Committee on Rules, or the Joint Committee on Ways and Means.

## BUDGET BILLS

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### SB 5518 and 5519: Oregon Department of Energy Budget Bill

[SB 5518](#) and [SB 5519](#)

ORS Chapter: Chapter 424 and 425, 2025 Laws

Effective Date: July 1, 2025

SB 5518 was the budget bill for the Oregon Department of Energy. The bill funded ODOE's core programs and provided limitation for several federally funded programs but it did not continue funding for state-funded incentive programs. Changes included a \$1.5 million allocation toward a required state match for the federal Grid Resilience Program; the extension of limited duration positions related to county resilience planning, climate reporting, and the Oregon Energy Strategy; and the establishment of new capacity for energy facility compliance. SB 5519 was related to the agency budget and passed alongside SB 5518. SB 5519 ratified a fee increase for the ODOE-administered [Large Electric Consumer Public Purpose Program](#), which allows certain electricity consumers to self-direct their energy projects under the Public Purpose Charge statutes.

## HB 5006: Budget Reconciliation Bill

[HB 5006](#)

ORS Chapter: Not Yet Assigned

Effective Date: Upon Signing

HB 5006, the budget reconciliation bill, did not contain any provisions related to energy or climate change.

## LEGISLATION CONSIDERED

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### Multiple Bills: Advanced Clean Truck Regulations

[HB 3119](#) and [SB 509](#)

Did Not Pass

In 2021, the Oregon Environmental Quality Commission adopted California’s Advanced Clean Trucks regulation, requiring an increasing percentage of medium- and heavy-duty vehicles sold in Oregon to be zero emission vehicles. Oregon is one of 10 other states to adopt the Advanced Clean Trucks regulation and together these states represent 25 percent of new trucks sales.

HB 3119 would have directed the Department of Environmental Quality to delay implementation and enforcement of the Advanced Clean Truck regulations until January 1, 2027.

SB 509 would have prohibited the Environmental Quality Commission from adopting, and the Department of Environmental Quality from enforcing, the Advanced Clean Truck regulations.

Prior to the close of session, DEQ adopted rules to delay implementation of the Advance Clean Truck rule, making legislation unnecessary.

### Multiple Bills: Nuclear Energy

[HB 2038](#), [HB 2410](#), [HB 2426](#), [HB 3548](#), [HB 3565](#), [SB 215](#), [SB 216](#), [SB 635](#), [SB 994](#), [SB 995](#), [SB 996](#), [SB 997](#)

Did Not Pass

For the past few legislative sessions, legislators have shown an interest in considering a new role for nuclear energy in Oregon.

Existing statute requires any development of new nuclear power capacity in Oregon to meet the following prerequisites:

1. Prior to issuance of a site certificate by the Energy Facility Siting Council, the Council must find that an “adequate” permanent national repository for high-level radioactive waste be licensed to operate (ORS 469.595); and

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2. Prior to approval of a site certificate for a nuclear power facility, the Energy Facility Siting Council must submit the proposal for a site certificate to a vote by the people of Oregon (469.597).

These statutory provisions effectively stop the placement of nuclear energy facilities in Oregon. There is no permanent national repository, so no site certificate can be submitted for a vote of the people. However, nuclear power is imported from other states and comprises 3.3 percent of Oregon’s [electricity resource mix](#).

In 2025, two bills related to nuclear power moved out of committee and onto Ways and Means for funding consideration – further than these types of bills have gone in the recent past. HB 2038 would have required the Oregon Department of Energy to study the advantages and disadvantages of nuclear energy, including economic and feasibility analyses. HB 2410 would have included both a small modular reactor demonstration project in Umatilla County, waiving the statutory requirements for nuclear facility siting, and required ODOE to report on regulatory changes necessary to allow nuclear facility siting. To take effect, the bill would have to be ratified by a vote of Umatilla County residents. Both bills were amended to include Tribal engagement or consultation.

The other bills took different approaches, most of them undoing the existing statutory restrictions, and did not move out of committee.

## Multiple Bills: Renewable Energy Studies

[HB 2063](#), [HB 3346](#), [HB 3868](#), and [SB 1160](#)

**Did Not Pass**

After the state budget shortfall was announced in May, legislators were unable to fund several study bills exploring renewable energy issues that had passed out of policy committee with strong support. These studies included an agrivoltaics task force (HB 2063), an evaluation of opportunities for siting solar energy in the pivot corners of irrigated land (HB 3346), a closer look at PURPA rates (HB 3868), and an exploration of cost differences between small-scale and utility-scale renewable energy projects (SB 1160).

## Multiple Bills: Wildfire Liability

[HB 3666](#), [HB 3984](#), and [SB 926](#)

**Did Not Pass**

In the wake of the 2020 wildfires and the rise in wildfires in general, addressing the role of utilities in preventing wildfires has been a major topic in the Legislature over the past few years. This session, though, the role of utilities in wildfire liability came to the forefront. Two approaches got traction – one in the Senate and one in the House.

SB 962A passed out of the Senate and would have banned electric companies from recovering from retail customers costs and expenses that are, or are associated with, criminal or civil fines, penalties, judgments, or settlements from civil action that is based on allegations of losses, expenses, or damages caused by a wildfire that resulted from negligence or a high degree of fault on the part of the electric

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company. It also added direction around rates of interest and taxes for awarded damages. It also would have prohibited electric companies who owe debts from an outstanding wildfire-related judgement from the paying of dividends, income, interest or profit, or repurchasing stock or other ownership interest in the electric company.

HB 3666 would have amended ORS chapter 757 to give the Oregon Public Utility Commission authority to issue a wildfire safety certification to an electric utility in the state, which would establish that a utility is acting reasonably with regard to wildfire safety. Investor-owned electric utilities would have been required to apply for this certification. The OPUC would issue the certification to an investor-owned utility if the utility could demonstrate that it has a wildfire protection plan or wildfire mitigation plan as currently required by state statute and 1) is prudently and reasonably implementing the plan, 2) has identified actions in the plan that have not been done and given reasons and a timeline for completion, 3) has demonstrated a commitment to wildfire safety based on certain criteria, 4) has taken timely and reasonable action on matters within the utility's control, consistent with safety rules in statute and according to the OPUC latest audit of the plan, and 5) has met any other requirements adopted by the Commission. The OPUC would consult with the State Forestry Department, State Fire Marshall, and academic institutions to develop rules to implement other requirements.

Under HB 3666, consumer-owned electric utilities, as defined in ORS 757.600, would have the option to apply for certification, but it would not be required. The COU requirements vary from IOUs in that those utilities would only be required to have a wildfire mitigation plan and the application would not be subject to the "other requirements" listed in the bill. All other requirements would apply. A decision not to apply for this certification would not be admissible in a civil proceeding relating to allegations of wildfire liability. Finally, HB 3666 would have required that an electric utility's first application be filed by December 31, 2027.

While HB 3666 never moved to a vote of the House, some contents of it were added to SB 962B, which was passed out of committee in the House but never made it to a floor vote. Late in the session, a new vehicle – HB 3984 – was introduced that included a different combination of concepts. It included the wildfire safety certification and study pieces of HB 3666, along with some of the provisions around taxes and damages from SB 962. HB 3984 passed out of the House on the last day of session, but there was no time for Senate consideration prior to adjournment.

## Multiple Bills: Fuel Resilience

[HB 2151](#), [HB 2152A](#), [HB 2949A](#), [HB 3450A](#)

**Did Not Pass**

In recent years, the Legislature has passed bills requiring studies relating to improving fuel storage safety and resilience. This work has been centered around risks to the state's largest fuel storage facility, the Critical Energy Infrastructure Hub in NW Portland. This session, four bills were introduced that stem from the studies or relate to fuel safety and resilience.

HB 2151 would direct how money in the Seismic Risk Mitigation Fund can be spent. Proposed changes included:



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- Clarification in subsection 3 that fees deposited under ORS 468B.513 are continuously appropriated to DEQ for the sole purpose of reviewing seismic risk mitigation implementation plans submitted under ORS 468B.513 and seismic risk assessments submitted under ORS 468B.510, and that available federal funds for purposes of ORS 468B.513(2)(k) are continuously appropriated to DEQ; and
- Additions to subsection 4 that identify purposes for moneys as support for state and local government agencies, businesses or individuals to plan and prepare for earthquakes through grants related to planning and preparedness for fires caused by oil or liquid fuel spills, grants for emergency response and evacuation planning, and earthquake early detection and alerting activities conducted by the Oregon Department of Emergency Management.

HB 2152A would have had the Oregon Department of Energy develop a fuel storage action plan, titled the “Statewide Geographic Diversity of Fueling Stations for Disaster Reserve Priority Action Plan,” to diversify fuel storage locations and availability throughout Oregon. The plan would have to be updated at least every five years and be based on the current Oregon Energy Security Plan. The Department of Environmental Quality, Department of Land Conservation and Development, and the Labor Education and Research Center at the University of Oregon are included in the bill as cooperating agencies. The plan would have included ways to increase the geographic diversity of liquid fuel storage by region, ways to improve statewide fuel reserves for emergency response and recovery, a prioritized list of locations for expanding fuel storage capacity, strategies to maintain a skilled workforce for fuel storage, a workforce transition plan for fuel storage workers, and consultation with federally recognized Tribes when establishing new or expanding current fuel storage sites. The action plan also had to consider negative impacts on environmental health for expanding existing sites or establishing new sites, as well as costs for the work envisioned.

HB 2949A would have directed the Environmental Quality Commission of the Department of Environmental Quality to issue certificates of financial responsibility to bulk oil and liquid fuel terminals, defined as those in Columbia, Multnomah, or Lane Counties with storage tanks of a combined capacity of 2 million gallons or more (ORS 468B.510), that confirm the entity has demonstrated financial ability to cover spill-related liabilities for oil, liquid fuel, and hazardous materials. The bill includes a preemption provision that a local government may not require an entity regulated under this legislation to obtain an additional financial assurance mechanism. The maximum amount of financial assurance that can be required is limited to \$300 million; after January 1, 2030, this amount may be evaluated and adjusted, but no more than once every three years.

HB 3450A would have required ODOE to develop an energy storage transition plan for moving fuel terminals and tank farms from the critical energy infrastructure (CEI) hub on the west bank of the Willamette River in Portland. The plan was required to include short-, medium-, and long-term goals for the CEI hub and contribute to resilience of the energy sector in Oregon. The Department of Environmental Quality, Department of Land Conservation and Development, Department of Emergency Management, Department of the State Fire Marshal, and State Resilience Officer were included in the bill as cooperating agencies. Engagement of industry stakeholders, technical experts, researchers, community members, state and local government agencies, and other interested parties was required during the planning process. Additionally, the potential for requiring owners or operators of bulk oils or

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liquid fuels terminals to obtain a method for assurance of financial costs associated with a catastrophic spill resulting from an earthquake would have been required.

## Multiple Bills: Community Solar

[SB 92](#), [HB 3749](#), and [SB 1055](#)

**Did Not Pass**

SB 92 would have amended ORS 757.386 to define eligibility, interconnection, and total capacity requirements in the Oregon Community Solar Program. Eligibility requirements include allowance for projects up to 5 MW of capacity and allowance for projects to be located in an IOU service territory different from the customer's service utility. The bill would have directed the PUC to adopt a schedule and penalties relating to interconnection delays. The bill also established increasing community solar capacity targets starting at 4.5 percent of the utilities 2016 peak in 2026 and ending with 14.5 percent of utilities 2016 peak in 2031.

HB 3749 and SB 1055 also proposed to amend current statutes to define eligibility, interconnection and total capacity requirements in the Oregon Community Solar Program. Like SB 92, both bills would have allowed projects located in an investor-owned utility service territory different from the customer's service utility. However, they would have prohibited the Oregon Public Utility Commission from limiting total program capacity to less than 25 percent of an electric company's retail electric load as of September 25, 2021.

## Multiple Bills: New Energy Incentives

[HB 2067A](#), [HB 3747](#), [SB 759](#)

**Did Not Pass**

HB 2067A proposed a rebate program at the Oregon Department of Energy to incentivize commercial contractors, landscape construction professionals, and landscape contracting businesses to purchase battery-powered leaf blowers and any necessary batteries and chargers. The rebate amounts would have covered 50 percent of the purchase price of the battery-powered leaf blower, batteries, and chargers, and could only have been issued for battery-powered leaf blowers that are intended for use for business reasons.

HB 3747 would have established a tax credit against personal income tax for the purchase of a solar electric system or a battery storage system that is paired with a solar electric system at the time of installation. Credit amounts were established in the bill. ODOE was directed to provide a form for a taxpayer to demonstrate they qualify for the tax credit. This bill was designed with both a federal solar tax credit and the Oregon Solar + Storage Rebate in jeopardy; as of the time of the publication of this report, the residential solar tax credit had been rolled back and the Oregon Solar + Storage Rebate was unfunded.

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SB 759 required the Oregon Business Development Department to conduct a study on the use of a loan loss reserve fund by underserved communities to support infrastructure improvement projects and to submit a report by September 15, 2026. An amendment considered in committee, SB 759-1, would have replaced the original measure and required the Oregon Department of Energy to establish a loan loss reserve fund for use by eligible bodies (school districts and Tribal governments) in rural and underserved communities to support infrastructure improvement projects.

## **HB 2025: Transportation Package**

[HB 2025](#)

**Did Not Pass**

HB 2025 proposed increased funding and accountability for approximately \$2 billion in transportation projects across the state. ODOT would have been responsible for implementing new performance improvement measures to enhance the efficiency and control costs of major projects. Transportation revenue would be generated from increases in taxes and fees on vehicles; some of it would have been directed at community transit, passenger rail, safety, and other infrastructure measures that have the potential to reduce vehicle miles traveled and greenhouse gas emissions. The gasoline tax would have increased and been tied to the rate of inflation and diesel fuel would have been taxed like gasoline fuel. Electric vehicles would have been subject to a mandatory road use charge; this per-mile tax rate was set high enough to have EV owners pay the equivalent to owners of larger SUVs and pickup trucks. The bill included no additional investments in vehicle electrification.

## **HB 2425A: Task Force on Ethical Procurement**

[HB 2425A](#)

**Did Not Pass**

HB 2425A proposed an 11-member Task Force on Ethical Procurement to devise methods for verifying that the state does not procure EVs, solar PV, and other electric products that involve forced or child labor. The Task Force under the bill would have included legislators and representatives from several state agencies, including the Oregon Department of Energy. The introduced version of the bill was identical to a companion bill in the Senate, [SB 928](#) which also did not pass.

## **HB 2566A: Allow Resilience-Only Projects in C-REP Program**

[HB 2566A](#)

**Did Not Pass**

House Bill 2566A would have amended the existing Community Renewable Energy Grant Program to allow ODOE to issue grants of up to 50 percent of a project's costs up to a maximum of \$250,000 to

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construct projects that support the energy resilience of, or prevent outages resulting from a natural hazard to, one or more structures or facilities that are essential to public welfare. 20 percent or less of the appropriated funds to the program could have been used for this new type of grant. The bill would have also updated the agency’s legislative reporting requirement to require the agency to report every two years on the program.

## **HB 2961A: Requiring EV Charging Capacity in Certain New Buildings**

[HB 2961A](#)

**Did Not Pass**

HB 2961A proposed to require more electrical capacity for EV charging in the construction of new multi-family or mixed-use buildings with ten or more residential units. The bill as amended would have required that newly constructed multifamily buildings provide at least 20 percent of the parking spaces with electrical service capacity to support EV chargers, decreased from 50 percent that would have been required under the introduced version. Commercial buildings in Oregon are already required to provide charging capacity for at least 20 percent of parking spaces under current law. HB 2961A would have required at least five percent (reduced from 20 percent in the introduced version) of the parking spaces, and not less than one space, to have an installed and ready-for-use Level 2 or 3 EV charger. Current law does not specify charger level or require that any actual chargers be installed. As amended, the charging capacity requirements would only apply to metropolitan jurisdictions, defined as any city, county or local government body within Multnomah, Clackamas or Washington county, instead of to the entire state as originally proposed. A similar bill, HB 2180, was introduced in the 2021 legislative session.

## **HB 3081A: One-Stop Shop for Energy Efficiency Information**

[HB 3081A](#)

**Did Not Pass**

HB 3081A would have revised ORS 469.161, which was enacted by the 2023 legislature in HB 3630 to provide early direction to the Oregon Department of Energy in preparation for incoming federal home energy rebates. This included creating a single resource – often referred to as a one-stop shop – to provide information and technical assistance related to energy efficiency incentives and programs. The one-stop shop website launched in early 2025 and also includes requirements for consumer and contractor education from HB 3409. You can find the Energy HIPPO – or Hub for Incentive Programs and Projects in Oregon – at [incentives.oregon.gov](https://incentives.oregon.gov).

The revisions to the so-called “One Stop Shop” in HB 3081A expand the scope of the single resource significantly, in two parts, to better help Oregonians connect with resources to make their homes more energy efficient.

- The first section would have required translation of the existing resources and future resources into Spanish with direction to provide translation into other languages as needed, establish navigation support via call centers and staff at agencies or community-based organizations, conduct targeted outreach and education to potential participants – especially those waiting for

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assistance from other programs or who are experiencing some hardship or vulnerability. This section would also have required ODOE to establish, maintain and publish a preferred contractor list and work with organizations across the state to identify and address gaps and overlaps between programs

- The second section would have required ODOE to establish a single universal application for participating energy efficiency programs, work with the Department of Revenue and other state agencies to establish automatic income based eligibility verification, support whole home energy efficiency audits or assessments, establish a single qualified appliance list for participating programs, and encourage entities that provide energy efficiency financial resources to participate in the universal application for their programs.

[SB 89](#) was identical to HB 3081 as introduced but was not pursued.

## HB 3170: Community Resilience Hubs

[HB 3170](#)

**Did Not Pass**

This bill would have amended ORS 409.760 to extend the Community Resilience Hub grants program at the Oregon Department of Human Services and made some changes to definitions, roles, and requirements of the program. For example, entities eligible for grant funds would have been expanded to include “any” group or entity located in Oregon that performs specified activities related to resilience hubs and specifies that eligible resilience hub activities may occur during a disruption and during recovery. The timing of services would have been expanded to relate to preparedness, response, and recovery for adverse events, emergencies, or disasters. The bill would have expanded ODHS consultation with ODOE and OHA and required a description of services as part of grant applications. The bill sought to appropriate an additional \$10,000,000 to provide grants under ORS 409.760.

## HB 3171: County Resilience Planning Grants

[HB 3171](#)

**Did Not Pass**

HB 3171 would have modified ORS 215.141, which created the [County Energy Resilience Program](#) administered by the Oregon Department of Energy. This bill would have extended the program sunset through January 2, 2028, allowing ODOE to continue to offer every county in Oregon \$50,000 to create an energy resilience plan for their county. The program is non-competitive, no match funding is required, and counties may choose to work together in cohorts. This bill would have increased flexibility in how counties pursue the required energy resilience planning. The most significant changes as a result of the bill would have been: 1) eliminating mapping requirements, 2) allowing counties to determine which critical public service facilities their plans will cover and whether or not to inventory their energy consumption, 3) shifting required engagement with environmental justice communities to focus on determining the selection of which critical public service facilities are included in the plan and locations for community resilience centers, and 4) requiring identification of natural hazard mitigation measures



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as needed for alternate energy generation and storage resources. The bill provided a provision for counties currently enrolled in the program to access the changes.

Nineteen Oregon counties have taken advantage of the grants since the program began in the Spring of 2024. Since this bill did not pass, the program will close at the end of 2025 and will not be available to further counties.

## **HB 3422: Alternatives Analysis for a Goal Exception for Energy Facility Siting**

[HB 3422](#)

**Did Not Pass**

Under Oregon’s land use system, there’s a process for using land differently than it is designated. That process is called a goal exception. Often that process requires an alternative analysis to demonstrate that there is not a similar piece of land that could be used that does not require a goal exception. HB 3422 would have added an alternatives analysis requirement for energy facilities. The change would allow an energy facility requiring a goal exception (primarily Goal 3 – Agricultural Lands) only if the use could not reasonably be accommodated on lands that do not require a goal exception, making it harder to site energy facilities on farmland.

## **HB 3477: State Greenhouse Gas Reduction Goals**

[HB 3477](#)

**Did Not Pass**

HB 3477 would have updated the state’s greenhouse gas reduction goals in line with [recommendations](#) from the Oregon Climate Action Commission. The bill would have established the policy of the state to reduce emissions consistent with practices to limit global warming to 1.5 degrees Celsius and to achieve net zero emissions as soon as practicable, but no later than 2050, while maintaining net negative emissions after 2050. The bill also would have established the policy of the state to reduce greenhouse gas emissions by 45 percent below 1990 levels by 2030, 70 percent below 1990 levels by 2045, and 95 percent below 1990 levels by 2050. For consistency with more recent climate legislation, the bill also changes references to “global warming” to “climate change.”

The provisions in HB 3477 relating to emissions reduction goals are nearly identical to provisions in SB 522 from the 2023 legislative session; other provisions from SB 522 were incorporated into HB 3409, the 2023 climate resilience package, including renaming the Oregon Global Warming Commission as the Oregon Climate Action Commission and expanding the membership of the Commission. However, the revised goals were removed from that bill prior to the floor votes.

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## HB 3609: Distributed Power Plant Programs

[HB 3609](#)

**Did Not Pass**

HB 3609 would have required Oregon’s IOUs to develop distributed power plant programs. The programs would have offered customers up-front payments and performance payments to provide grid services to the utility. The program would have been open to customers with batteries, load control devices such as smart thermostats, and electric vehicles. Low- and moderate-income customers could have been considered for increased upfront payments. Oregon PUC would have been directed to review and approve, deny, or modify distributed power plant programs submitted by utilities, and to develop utility procurement targets and incentives for each five-year period of program operations. Utilities would have been required to report on progress toward procurement targets on an annual basis.

## HB 3628: Oregon Electric Transmission Authority

[HB 3628](#)

**Did Not Pass**

HB 3628, along with HB 3336 and HB 3681 (discussed above under “Legislation Passed”), was one of a package of bills to come from an interim work group led by Representative Mark Gamba focused on siting electric transmission projects more quickly. HB 3628 proposed to create the Oregon Electric Transmission Authority (OETA) – a public corporation – for the purpose of accelerating expansion of transmission capacity in Oregon. The bill directed OETA to be governed by a 12-member board consisting of nine voting members appointed by the Governor and three nonvoting board members representing state agencies (ODOE, OPUC, Treasury). The stated goals of OETA were to improve reliability and resilience of state transmission system, increase access to low-cost supplies of renewable energy, support state energy policy objectives, protect and bolster state transmission system against risks of extreme weather and natural disasters, and support in-state economic growth. The bill stated OETA would be funded by annual charges paid by Oregon customers with electrical loads over 20 MW, and would have authority to finance, acquire, own, develop, and operate new transmission projects, including projects that would upgrade/expand existing transmission infrastructure. The bill also gave OETA authority to issue and sell revenue bonds, but no authority to levy taxes or issue general obligation bonds.

## SB 927A and HB 3087: Tax Credit for Transmission Services

[SB 927A](#) and [HB 3087](#)

**Did Not Pass**

SB 927A proposed to create a tax credit equal to the annual “tax year” costs for transmission service paid by a non-utility owner of solar, wind, or storage projects with official interconnection agreements in place on or after January 1, 2025, and first placed in service after January 1, 2026. Eligible transmission

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service costs would have been calculated as the service costs paid to the Bonneville Power Administration or an Oregon electric utility for up to 600 MW of the project's nameplate output capacity, plus the service costs paid to parties other than BPA or an Oregon electric utility. Combined tax credits for all eligible projects owned by any single taxpayer would not have been allowed to exceed the taxpayer's tax liability for that tax year. HB 3087, which was identical to SB 927 as introduced, received a public hearing in the House but did not move out of committee ahead of legislative deadlines.

## **SB 88: Removing Certain Costs from Rates**

[SB 88](#)  
**Did Not Pass**

SB 88 would have prevented any Oregon electric or gas utility from recovering certain costs from ratepayers that are not directly related to investments and operations of energy systems; would have required the PUC to limit the amount of costs and expenses that energy utilities can recover from ratepayers for the utility's involvement in contested PUC proceedings; and would have required energy utilities to file an annual report of the utility's itemized costs and expenses relating to their involvement in contested PUC proceedings and relating to any item or activity described below.

Costs prohibited from inclusion in rates were defined as those associated with: political influence activities (other than appearing before public entities as required or by request); advertising activities (other than legally required public communications, such as those about emergency/safety issues and service interruptions, employment opportunities, or special utility programs available for customer enrollment); charitable giving; litigation, penalties, or fines tied to federal, state or local rules or laws; any cost or expense for a product or service not regulated by the PUC; travel and lodging expenses for utility officers and board members; and compensation for board members.

## **SB 1034: Local Control of Energy Facility Siting**

[SB 1034](#)  
**Did Not Pass**

SB 1034 was drafted in response to the Nolin Hills Wind Power Project, a 600 MW wind, solar, and battery storage project in Umatilla County. In its application, the project proponent argued that a Umatilla County setback ordinance between wind turbines and residences was not required by any of the 19 Statewide Planning Goals and therefore was not obligated to meet it per ORS 469.504. The Energy Facility Siting Council (EFSC) agreed with the applicant and approved the application without requiring them to meet the setback requirement, which would have eliminated numerous wind turbines with no documented value to nearby residences. Umatilla County appealed the decision to the Oregon Supreme Court (Umatilla County v. Oregon Department of Energy, Energy Facility Siting Council, and Nolin Hills Wind, LLC), which affirmed EFSC's decision. SB 1034 would have mandated that any local jurisdictional land use ordinance must be implemented by EFSC, regardless of whether the ordinance was required by any of the 19 Statewide Planning Goals. In certain circumstances local governments can

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adopt more restrictive land use requirements than are required by the state. This bill would have enabled local governments to restrict renewable energy development.

## **SB 1102 (-2 Amendment): HB 2021 Changes**

[SB 1102](#)

**Did Not Pass**

SB 1102 was a placeholder bill, but the -2 amendment was the subject of a hearing in Senate Energy and Environment. The amendment would have authorized PUC to impose penalties on electric companies that fail to demonstrate “continual improvement” under HB 2021, which established Oregon’s clean electricity standards, and require that IOU Clean Energy Plans (CEPs) include GHG emission data. The amendment defined “continual improvement” to (1) require procuring non-emitting resources to meet HB 2021 emission targets and (2) showing no more than 20 percent variance in emissions in any given year from the straight line progression in HB 2021 emissions reductions. The amendment also provided that Renewable Portfolio Standard (RPS) renewable energy certificates associated with non-emitting electricity be retired upon sale to retail customers.

## **SB 1143A: Thermal Energy Networks**

[SB 1143](#)

**Did Not Pass**

SB 1143 would have directed the Oregon Public Utility Commission to establish a pilot program that allows each natural gas company to develop a utility-scale thermal energy network pilot project. Thermal energy networks heat and cool buildings with non-combusting, non-emitting thermal sources such as geothermal energy or waste heat using a network of interconnected underground pipes. Approved projects would have been able to recover project costs from their customers for developing and operating the thermal energy network. These projects would have been subject to labor requirements set in the bill. If natural gas companies elected not to submit a proposal, they need to provide an explanation to Commission.

The intention of the pilot program is to:

- Test the effectiveness of thermal energy networks to provide heating and cooling services while improving efficiency and reducing GHG emissions
- Allow utilities to gain experience while mitigating risk by allowing cost recovery from customers
- Provide the Commission with experience evaluating thermal energy network projects

Potential projects would be evaluated by the Commission to evaluate several factors, such as safety, reliability, resilience, whether or not low income and energy burdened communities are served, and customer costs.

## **SB 1187: Climate Superfund Cost Recovery Program**

**[SB 1187](#)**  
**Did Not Pass**

SB 1187, along with [SB 682](#), was one of two bills in 2025 that proposed to create a Climate Superfund Cost Recovery Program to adapt and mitigate the effects of climate change and impose strict liability for the costs of climate change caused by covered greenhouse gas emissions. The strict liability standard would have applied to “responsible parties,” which are entities that engaged in the extraction or refinement of fossil fuels, did business in Oregon, and were responsible for emitting more than 1 billion metrics tons of greenhouse gas emissions between January 1, 1995, and December 31, 2024.

SB 1187 would have directed DEQ to determine the proportional liability of responsible parties based on their proportionate share of GHG emissions and collect compensatory payments from such parties. Costs recovered from responsible parties would have been deposited into a Climate Superfund Cost Recovery Program Account and continuously appropriated to the Department of Land Conservation and Development. DLCD would have been required to transfer 30 percent of available funds to the State Fire Marshall for wildfire resilience and recovery activities and invest 40 percent of the funds in eligible climate change adaptation projects that benefit environmental justice communities.

SB 1187 would also have directed DLCD to lead an interagency team including but not limited to DEQ, the Oregon Department of Emergency Management, the Oregon Health Authority, the State Fire Marshal, and the Oregon Department of Agriculture. This team would have been tasked with developing, adopting, implementing, and updating a resilience implementation strategy that identifies and disburses funds to eligible climate change adaptation projects. The bill would have authorized DLCD as the lead agency to direct the other participating agencies to implement relevant portions of the resilience implementation strategy.

## **SJR 28: Oregon State Environmental Rights Act**

**[SJR 28](#)**  
**Did Not Pass**

SJR 28 would have introduced an amendment to the Oregon Constitution to establish a fundamental right to a clean, safe and healthy environment and referred the proposed amendment to the people for their approval or rejection at the next regular general election. The amendment would have given Oregonians the ability to sue the state for damages if state actions harmed the environment.



## FOR MORE INFORMATION

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