



2024 Legislative Session Priorities and Activities

Read our [2024 Legislative Summary report](#).

In the 2024 Legislative Session, the Oregon Department of Energy supported Senate Bill 1525. This bill, sponsored by the [Senate Energy and Environment Committee](#), made statutory adjustments to three ODOE programs. Many new programs and projects have been assigned to the Oregon Department of Energy in recent years. As these programs and projects are implemented, sometimes we identify issues or areas for improvement. These adjustments ensure quality work products and smooth program operations.

- SB 1525 Senate Committee on Energy and Environment [Public Hearing February 13, 2024](#)
- SB 1525 Senate Committee on Energy and Environment [Work Session February 15, 2024](#) (continued from February 13)

Oregon's Energy Security Plan

ODOE is currently leading a statewide effort to draft an [Oregon Energy Security Plan](#), which will help the state be prepared for the energy impacts of emergencies. The Legislature directed the agency to carry out this work in [SB 1567](#) (2022). The Plan is also a requirement of the federal government to access State Energy Program funding from the US Department of Energy and federal funds are paying for this effort. The federal funds came later than expected, delaying the anticipated start of creating the Plan. SB 1525 shifts the deadline in state law to match the federal deadline of September 30, 2024, giving ODOE more time to ensure a robust public process and high-quality analysis.

Oregon Climate Action Commission - Natural and Working Lands Studies

In 2021, the Oregon Global Warming Commission [issued recommendations](#) for natural climate solutions. The natural and working lands provisions of HB 3409 come directly from those recommendations, and direct the now-named [Oregon Climate Action Commission](#), staffed by the Oregon Department of Energy, to lead or co-lead the following work:

- Allocation of and reporting on a \$10 million fund to carry out work that promotes carbon sequestration at the Oregon Watershed Enhancement Board, the Oregon Department of Agriculture, the Oregon Department of Fish and Wildlife, and the Oregon Department of Forestry
- A suite of consultant-led studies, in collaboration with several listed state agencies, to create baselines and metrics around climate solutions on natural and working lands
- Establishment of an advisory committee
- Tribal consultation protocols

The Department realized in the planning process that the deadlines for the consultant-led studies—all due in late 2024 or early 2025—would not allow for the collaboration with other agencies and Tribes and the public process described in the bill, and could lead to rushed, lower quality work products. SB 1525 extends the deadlines for the studies by one year.

Community Renewable Energy Grant Program

The [Community Renewable Energy Grant Program](#) passed as part of HB 2021 in 2021 and provides significant funding to public bodies, Tribes, and consumer owned utilities to plan for and construct community-led small-scale renewable energy and energy resilience projects. The program prioritizes projects that provide community resilience and that serve environmental justice communities. In two rounds of funding totaling over \$20 million, the program has supported 59 projects in 25 counties.

This program was designed to have public bodies, Tribes, or COUs as applicants to show community support and reduce risk. The program anticipated that the applicants may choose to partner with a nonprofit, a business, or a renewable energy developer – and that those partners may pay for the project and later get reimbursed by the applicant. However, statute requires that costs must be incurred by the applicant to be reimbursed by grant funding. SB 1525 will add the word “or applicant's partner” to a few relevant places in statute to allow the partner to pay for project costs and later be reimbursed by the applicant.

Proposed Amendment: Community Heat Pump Deployment Program

In addition to the changes above, ODOE will also introduce an amendment to SB 1525 that would adjust a fourth ODOE program, the [Community Heat Pump Deployment Program](#).

SB 1536 (2022) provided financial assistance for the purchase and installation of heat pumps and related upgrades for owner-occupied homes in Oregon. This assistance is required to be provided through regional administrators, serving 11 regions in the state. The nine federally recognized Tribes must also have a regional administrator to be served.

As of right now, six of the regions and one Tribe have a regional administrator identified. After another round of applications for regional administrators concluded on January 26, applications are under review for the five remaining regions and a second Tribe.

Because there will be unserved Tribes and potentially—depending on application review—unserved regions, ODOE proposes to transfer funds from the Community Heat Pump Deployment Program to the [Rental Home Heat Pump Program](#). Those funds would then be earmarked for any unserved regions or Tribes. This would allow the dollars to flow toward heat pump installation in those parts of the state that would otherwise be unserved.