



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris  
FROM: Jason Heuser, Public Policy and Government Affairs Program Manager  
DATE: February 21, 2025  
SUBJECT: March 2025 State Legislative Update  
OBJECTIVE: Information

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## **Issue**

EWEB monitors, influences, and strategically plans around legislative and regional policy issues.

## **Background**

The Board adopts general policy directives for advocacy on legislation and other public policy matters, which guide the work of EWEB's lobbying activities. When political considerations test the applicability of those directives, the General Manager makes a determination as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm policy directives or direct staff to make necessary adjustments.

## **Discussion**

The Oregon Legislature convened on January 21 for the start of 2025 Oregon Legislative Session and over 3000 bills have been introduced. EWEB Commissioners will be visiting the State Capitol on March 10<sup>th</sup> to meet with local legislators. The final schedule and preparation materials for the EWEB lobby day will be provided by the March 4<sup>th</sup> Board Meeting.

## **SB 427 – Prohibition on water use changes that reduce streamflow – OPPOSE**

This bill would prohibit water transfers and other proposed changes related to the appropriation or use of water that will result in any diminishment of streamflow. This bill has been referred to the Senate Natural Resources and Wildfire Committee. At the time of this memo the bill is scheduled for a public hearing on February 25<sup>th</sup>. EWEB staff have identified impacts from the bill as currently drafted that could produce significant obstacles to EWEB's effort to successfully operate a future Willamette Water Treatment Plant and diversify Eugene's water supply.

EWEB's Permit S-54805 for the use of water from the Willamette River has 4 authorized points-of-delivery (PODs) but in the future will require an additional POD to match the location of the planned new intake. In Oregon a transfer is the only mechanism to change an existing water right. The Oregon Water Resources Department (OWRD) may not approve a transfer if the transfer would (i) enlarge or expand an existing water right in any way, or (ii) cause injury to any other existing water right on the water system. As applied, the injury standard ensures that existing water rights, including instream water rights, are protected. Senate Bill

427 introduces a third and incredibly broad standard that would require OWRD to determine whether a proposed transfer will result in “diminishment of streamflow.”

An additional point-of-delivery established to match the location of the planned new intake on the Willamette would be upstream from the existing authorized PODs and it would not cause injury to other existing water rights – EWEB’s permit is junior in priority to the instream water right, so it would be regulated off if the instream water right is not met. However, SB 427 creates a new test that would prohibit any diminishment of streamflow at all even without injury which would create serious new obstacles to establishing an additional point-of-delivery, jeopardizing EWEB’s efforts to provide a second source of water.

The Oregon Governor’s Office is expected to introduce soon a companion bill to SB 427.

### **LC 3690 – Solar Consumer Protection – SUPPORT**

EWEB initiated the drafting of LC 3690 (modeled after solar consumer protection legislation enacted by the Washington legislature in 2024) under the sponsorship of local Representative John Lively, chair of the House Energy and Environment Committee. Subsequently a stakeholder group formed including Representative Lively and his staff, Oregon Solar Energy Industries Association, EWEB, Oregon Consumer Justice, National Association of Consumer Advocates, Oregon Citizens Utility Board, OSPIRG, Oregon Department of Justice, Energy Trust of Oregon, Oregon Department of Consumer and Business Services and the Oregon Department of Energy.

This group has been meeting almost weekly since December and has worked through policy design choices and viewpoints in a very collaborative and solutions-oriented fashion and in early February presented Rep. Lively with a modified version of LC3690 broadly supported by the stakeholder group. A resulting bill is expected to be introduced soon and be referred to the House Energy and Environment Committee Chaired by Representative Lively.

The modified version of LC 3690 is designed to prohibit deceptive and/or high-pressure sales tactics. It will create a model disclosure for solar installations both in contract language as well as a separate disclosure addendum. The disclosure would provide a clear explanation of system performance, estimated bill savings and consumer rights, including the opportunity to cancel a contract within the first 72 hours. It would also create a private right of action for damages for solar consumers, which will act as a deterrent that would complement provisions of LC 3690 that will lead to enhanced enforcement of the Unlawful Trade Practices Act by the Financial Fraud/Consumer Protection Section at the Oregon Department of Justice with regard to solar installations.

### **SB 179 – Recreational Immunity (Removes Sunset) – SUPPORT**

SB 1576A was enacted in the 2024 legislative session and included a restoration of recreational immunity, a priority for local governments and recreation enthusiasts. The bill added running, walking and biking to the definition of recreational immunity, but included a sunset date at the end of 2025 to allow for pending court cases to be resolved and a workgroup to craft a more durable solution to be adopted in the 2025 legislative session. Reportedly, the workgroup was able to reach consensus on a permanent solution. In the absence of successful negotiations, SB 179 removes the sunset date included in SB 1576A from the 2024 legislative session.

The bill received a public hearing in the Senate Judiciary Committee on February 19<sup>th</sup>. At the time of this memo the bill is scheduled for a work session on February 26<sup>th</sup>.

**HB 2256 – Indemnifying for conservation purposes sellers of units of land not lawfully established -- SUPPORT**

This bill exempts the seller and the nonprofit purchaser of property for conservation purposes from civil or criminal liability for selling units of land not lawfully established. HB 2256 was introduced by local Representative Lisa Fragala at the request of the McKenzie River Trust (MRT)

EWEB has provided funding for MRT conservation acquisitions as well as applied for grant funds on behalf of MRT or assisted MRT grant funding applications. In some instances, concerns around legal lot determination have created additional expense and delays that can acquisitions. Strategic conservation properties can become difficult to transact once lot determination issues are identified. Sellers can be reluctant to take on the potential liability or costly delays – which can result in losing purchase opportunities facing obstacles to apply for grant funding due to uncertain timelines around fixing the liability concerns. HB 2256 is a solution to the problem of legal lot determination by waiving the liability of the seller for selling an unlawfully created unit of land if the buyer is both a 501(c)(3) and is clear in its intent to acquire the land for conservation purposes.

HB 2256 received a positive public hearing in the House Agriculture, Land Use, Natural Resources, and Water Committee on February 3. A technical amendment has been crafted to reduce the chance of possible unintended consequences. At the time of this memo, the bill has been scheduled for a work session on February 26<sup>th</sup>.

**HB 2410 – Umatilla County Small Modular Nuclear Reactor Demonstration Project – Neutral**

This bill would allow the Oregon Energy Facility Siting Council (EFSC) to issue a site certificate for a small modular reactor energy facility *demonstration project* in Umatilla County, potentially as part of a microgrid. The bill would require that a site certificate be contingent on approval from Umatilla County voters. At the time of this memo HB 2410 is schedule for a public hearing on February 28<sup>th</sup> in the House Energy and Environment Committee.

Note: HB 2410 has been initiated by the Umatilla County Board of Commissioners, without the involvement of Umatilla Electric Cooperative.

**HJM 10 – Resolution to Congress on role of Bonneville Power Administration – Neutral, Possible Informational Testimony.**

This bill would request the United States Department of Energy and the United States Congress to support the Bonneville Power Administration in providing cleaner, more affordable and more reliable energy to all consumers in the Pacific Northwest.

At the time of this memo, this bill was just recently reported to no longer be under consideration.

**Recommendation/Requested Board Action**

These are informational updates, and no action is required at this time.