

# 2011 Governors School Initiative – Loan Facilitation Temporary Rules

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Proposed text of temporary rule:

**330-105-0017**

## **Governors School Initiative Pilot**

(1) In addition to the allowances provided under 330-105-0015 (2) the department may, without prior review of the Committee, approve loans that are:

(a) part of the Governor's School Initiative pilot program

(b) for measures in K-12 facilities;

(c) issued to school districts; and

(d) to be secured for their full loan amount by a resolution by the governing body of the borrower.

(2) Any approvals made by the department under the provisions of this section shall be presented at the next scheduled meeting of the Committee.

## **Narrative**

### **Temporary rules to facilitate loans for 2011 Governors School Initiative**

#### **Applicant**

Requested by the Oregon Department of Energy

#### **Outcome request:**

Approval of temporary rule language

#### **Result of approval:**

The department will record the proposed temporary rule, which will be effective for 180 days (6 months). The rule provides the department flexibility to approve school district loan requests above \$100,000 without prior review of the Committee (approval of loans below \$100,000 is already allowed without Committee review under OAR 330-105-0015). The additional flexibility will reduce the time required to approve loan applications for participating school districts and build a portfolio of loans for bond sale. This will increase the number of projects that can be scheduled for the summer 2011 school project construction period, an early goal of the Governor's initiative.

If the department wishes to continue the rule beyond the expiration date it must follow the process for a permanent rulemaking, including public review, public hearing, and approval of the Committee.

#### **Background on Governors School Initiative**

In January, Governor Kitzhaber directed the Oregon Department of Energy (ODOE) to launch a comprehensive School Energy Audit Initiative. By conducting comprehensive energy audits of school facilities, the state can lay the foundation for a more comprehensive approach to energy efficiency at Oregon's public schools.

The schools to be audited are those that receive their electricity from Oregon's Consumer Owned Utilities and Idaho Power. Schools that receive their electricity from Oregon's Investor Owned Utilities (Portland General Electric and Pacific Power) receive a portion of the Public Purpose Charge and have had energy audits as directed by Senate Bill 1149.

The Governor's Office is working diligently with the Legislature, local elected officials, Oregon's utilities, the State's economic revitalization teams, business groups, community leaders, and ODOE to develop funding and implementation mechanisms to help Oregon's schools make these energy efficiency investments as soon as possible.

#### **Recommendation**

The department recommends approval of the temporary rule language.