

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	4 - 3 - 0
Yeas:	Beyer, Cannon, Macpherson, Dingfelder
Nays:	Burley, Jenson, Smith G.
Exc.:	-
Prepared By:	Cat McGinnis, Administrator
Meeting Dates:	4/16, 4/18, 4/30, 5/16

WHAT THE MEASURE DOES: Requires the Department of Energy to create a renewable portfolio standard under which electric utilities must derive 25 percent of annual retail electricity sales from renewable energy resources by the year 2025. Sets an alternative standard of 10 percent by the year 2025 for small electric utilities that sell less than three percent of all electricity sold to retail customers. Exempts certain hydroelectric facilities from geographic requirements. Authorizes the Public Utility Commission (PUC) and consumer-owned utility governing boards to establish procedures for implementation and monitoring of the renewable energy standard. Modifies and extends the public purpose charge collected from retail customers until January 1, 2026. Prohibits any public purpose charge other than the three percent provided for in statute. Directs PUC to establish automatic adjustment clause allowing any individual to request that the PUC conduct a proceeding and issue a written order before adopting proposed rate change. Allows a people's utility district to become a member of an electric cooperative or of a limited liability company for the purpose of operating or owning property for electricity generation or transmission. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Provisions of the measure and content of proposed amendments

EFFECT OF COMMITTEE AMENDMENT:

- Provides an alternative renewable portfolio standard of ten percent by the year 2025 for electric utilities that sell less than three percent of all electricity sold to retail customers
- Preserves exemption for small electric utilities that make new investments in coal-fired energy sources only under certain circumstances

BACKGROUND: The renewable portfolio standard (RPS) sets a requirement that retail electricity providers supply a minimum percent of their retail electricity load with eligible renewable energy sources by a certain date. The desired objectives of RPS include: reducing greenhouse gas emissions, diversifying fuel sources, developing new technologies, and improving rural economies. Most of the twenty-four states that have adopted an RPS have done so in the last five years. The concept for an Oregon RPS came as a central recommendation in the 2005 report of the Global Warming Advisory Group and was subsequently refined by a 32-member Renewable Energy Workgroup appointed by Governor Kulongoski. Senate Bill 838-C, the Oregon Renewable Energy Act, establishes a renewable energy standard of 25 percent of retail sales from renewable energy resources by 2025 as a means to accelerate the transition to renewable energy sources and decrease Oregon's reliance on fossil fuel for electric utilities. The measure defines qualifying renewable electric energy facilities as those in existence or having expanded or improved efficiency after January 1, 1995. Eligible renewable energy resources are defined in the measure to include wind, solar, wave, geothermal, certain allowable biomass, and new hydro power sources.

5/18/2007 4:27:00 PM

This summary has not been adopted or officially endorsed by action of the committee.