

House Bill 2931

Sponsored by Representative SCHAUFLEER; Representatives BERGER, BOONE, BUTLER, DALLUM, GARRARD, GILMAN, HANNA, JENSON, KRIEGER, MORGAN, OLSON, ROBLAN, SCOTT, THATCHER, WHISNANT, WITT, Senators FERRIOLI, NELSON, WHITSETT (at the request of Oregon Rural Electric Cooperatives Association)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Amends definition of "renewable energy resource" to include any hydroelectric generating facility, regardless of installed capacity.

A BILL FOR AN ACT

1
2 Relating to hydroelectric power; amending ORS 469.185.

3 Whereas water is a clean and sustainable resource that produces clean, efficient, emission-free
4 and low-cost power; and

5 Whereas there is an increasing demand for clean and renewable power; and

6 Whereas hydroelectric power is an established and reliable source of power for the state; and

7 Whereas hydroelectric power balances the needs of the environment with the need for clean,
8 nonpolluting and reliable electricity for the electricity consumers of Oregon; now, therefore,

9 **Be It Enacted by the People of the State of Oregon:**

10 **SECTION 1.** ORS 469.185 is amended to read:

11 469.185. As used in ORS 469.185 to 469.225 and 469.878:

12 (1) "Alternative fuel vehicle" means a vehicle as defined by the Director of the State Depart-
13 ment of Energy by rule that is used primarily in connection with the conduct of a trade or business
14 and that is manufactured or modified to use an alternative fuel, including but not limited to elec-
15 tricity, ethanol, methanol, gasohol and propane or natural gas, regardless of energy consumption
16 savings.

17 (2) "Car sharing facility" means the expenses of operating a car sharing program, including but
18 not limited to the fair market value of parking spaces used to store the fleet of cars available for
19 a car sharing program, but does not include the costs of the fleet of cars.

20 (3) "Car sharing program" means a program in which drivers pay to become members in order
21 to have joint access to a fleet of cars from a common parking area on an hourly basis. "Car sharing
22 program" does not include operations conducted by car rental agencies.

23 (4) "Cost" means the capital costs and expenses necessarily incurred in the acquisition, erection,
24 construction and installation of a facility, including site development costs and expenses for a
25 sustainable building practices facility.

26 (5) "Energy facility" means any capital investment for which the first year energy savings yields
27 a simple payback period of greater than one year. An energy facility includes:

28 (a) Any land, structure, building, installation, excavation, machinery, equipment or device, or
29 any addition to, reconstruction of or improvement of, land or an existing structure, building, instal-
30 lation, excavation, machinery, equipment or device necessarily acquired, erected, constructed or in-

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 stalled by any person in connection with the conduct of a trade or business and actually used in the
 2 processing or utilization of renewable energy resources to:

3 (A) Replace a substantial part or all of an existing use of electricity, petroleum or natural gas;

4 (B) Provide the initial use of energy where electricity, petroleum or natural gas would have been
 5 used;

6 (C) Generate electricity to replace an existing source of electricity or to provide a new source
 7 of electricity for sale by or use in the trade or business; or

8 (D) Perform a process that obtains energy resources from material that would otherwise be solid
 9 waste as defined in ORS 459.005.

10 (b) Any acquisition of, addition to, reconstruction of or improvement of land or an existing
 11 structure, building, installation, excavation, machinery, equipment or device necessarily acquired,
 12 erected, constructed or installed by any person in connection with the conduct of a trade or business
 13 in order to substantially reduce the consumption of purchased energy.

14 (c) A necessary feature of a new commercial building or multiple unit dwelling, as dwelling is
 15 defined by ORS 469.160, that causes that building or dwelling to exceed an energy performance
 16 standard in the state building code.

17 (d) The replacement of an electric motor with another electric motor that substantially reduces
 18 the consumption of electricity.

19 (6) "Facility" means an energy facility, recycling facility, transportation facility, car sharing
 20 facility, sustainable building practices facility, alternative fuel vehicle or facilities necessary to op-
 21 erate alternative fuel vehicles, including but not limited to an alternative fuel vehicle refueling
 22 station.

23 (7) "Qualified transit pass contract" means a purchase agreement entered into between a
 24 transportation provider and a person, the terms of which obligate the person to purchase transit
 25 passes on behalf or for the benefit of employees, students, patients or other individuals over a
 26 specified period of time.

27 (8) "Recycling facility" means equipment used by a trade or business solely for recycling:

28 (a) Including:

29 (A) Equipment used solely for hauling and refining used oil;

30 (B) New vehicles or modifications to existing vehicles used solely to transport used recyclable
 31 materials that cannot be used further in their present form or location such as glass, metal, paper,
 32 aluminum, rubber and plastic;

33 (C) Trailers, racks or bins that are used for hauling used recyclable materials and are added to
 34 or attached to existing waste collection vehicles; and

35 (D) Any equipment used solely for processing recyclable materials such as bailers, flatteners,
 36 crushers, separators and scales.

37 (b) But not including equipment used for transporting or processing scrap materials that are
 38 recycled as a part of the normal operation of a trade or business as defined by the director.

39 [(9)(a)] (9) "Renewable energy resource" includes, but is not limited to, straw, forest slash, wood
 40 waste or other wastes from farm or forest land, industrial waste, solar energy, wind power, water
 41 power, [or] geothermal energy **or a hydroelectric generating facility.**

42 [(b)] "*Renewable energy resource*" *does not include a hydroelectric generating facility larger than*
 43 *one megawatt of installed capacity unless the facility qualifies as a research, development or demon-*
 44 *stration facility.*]

45 (10) "Sustainable building practices facility" means a commercial building in which building

1 practices that reduce the amount of energy, water or other resources needed for construction and
2 operation of the building are used. “Sustainable building practices facility” may be further defined
3 by the State Department of Energy by rule, including rules that establish traditional building prac-
4 tice baselines in energy, water or other resource usage for comparative purposes for use in deter-
5 mining whether a facility is a sustainable building practices facility.

6 (11) “Transportation facility” means a transportation project that reduces energy use during
7 commuting to and from work or school, during work-related travel, or during travel to obtain med-
8 ical or other services, and may be further defined by the department by rule. “Transportation facil-
9 ity” includes, but is not limited to, a qualified transit pass contract or a transportation services
10 contract.

11 (12) “Transportation provider” means a public, private or nonprofit entity that provides trans-
12 portation services to members of the public.

13 (13) “Transportation services contract” means a contract that is related to a transportation fa-
14 cility, and may be further defined by the department by rule.

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