

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	7 - 1 - 0
Yeas:	Bailey, Bentz, Galizio, Gilliam, Holvey, Witt, Read
Nays:	Thatcher
Exc.:	0
Prepared By:	Barbara Allen, Administrator
Meeting Dates:	3/31, 4/2, 4/16, 4/21, 4/23

WHAT THE MEASURE DOES: Directs the Public Utility Commission (PUC) to establish a solar pilot program to demonstrate the uses and effectiveness of volumetric incentive rates and payments for electricity delivered through photovoltaic energy systems. Sets the parameter that the program may not exceed 25 megawatts with a goal of 75 percent of the energy under the pilot program to be generated by projects generating 50 kilowatts or less and 25 percent to be generated by projects of 50 to 500 kilowatts. Allows renewable energy certificates to be applied to the Renewable Portfolio Standard (RPS). Allows all prudently incurred costs associated with compliance to be recoverable by the electric company. Requires the PUC to submit a report to the Legislature on January 1st of each odd numbered year beginning in 2013 and requires the PUC to also report to the Legislature before January 1, 2011, with any recommended legislative changes to improve the program.

ISSUES DISCUSSED:

- Building solar projects near their use in Oregon, not shipping energy out-of-state
- The diversity of renewable fuel technology types available to consumers
- Oregon's national reputation in deploying solar energy
- Underutilized solar resource areas throughout the state
- Comparing Germany's feed-in tariff model with the measure's proposal
- Concerns for the cost of developing the feed-in tariff pilot program and the need for further technical review of the amendment

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: The measure is intended to reinforce and implement Oregon's commitment to a Renewable Portfolio Standard (RPS) through small and large solar projects. The measure addresses the following concepts: a feed-in tariff to enhance the RPS through a solar capacity standard; the establishment of production-based incentives and a regulatory framework within the PUC to organize, encourage and compensate the investment of solar energy projects; and provision for the PUC to authorize the construction and operation of large-scale solar power demonstration projects.

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