

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2121 **STATUS:** Original
SUBJECT: Directs the Public Utility Commission to develop a pilot program to offer payments for the energy generated by solar photovoltaic projects.
GOVERNMENT UNIT AFFECTED: Public Utility Commission
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REVIEWED BY: Michelle Deister
DATE: February 9, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES: See Comments		

EFFECTIVE DATE: January 1, 2010

GOVERNOR’S BUDGET: This bill is not anticipated by the Governor’s recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: House Bill 2121 directs the Public Utility Commission (PUC) to develop a pilot program “from existing resources” to demonstrate the feasibility of integrating up to 17 megawatts of electricity generated from solar power into the retail electric energy system. The bill also provides that PUC may make incentive payments to aid in producing or acquiring electricity at the least cost to consumers. The bill does not identify what existing resources should be used to fund the pilot program or the source or recipients of the incentive payments. Without further clarification, PUC is unable to estimate the fiscal impact of this bill.

The Department of Energy notes that its solar program could be involved in the services required by this bill. However, as currently drafted, the bill does not require the involvement of the agency.