

## HOUSE AMENDMENTS TO HOUSE BILL 2182

By COMMITTEE ON SUSTAINABILITY AND ECONOMIC DEVELOPMENT

March 27

1 On page 1 of the printed bill, delete lines 5 through 30 and delete pages 2 and 3 and insert:

2 “**SECTION 1.** ORS 470.050 is amended to read:

3 “470.050. As used in this chapter, unless the context requires otherwise:

4 “(1) ‘Alternative fuel project’ means:

5 “(a) [A *fleet of vehicles*] **Equipment, including vehicles that are not used primarily for per-**  
6 **sonal, family or household purposes,** that [are] is modified or acquired directly from a factory and  
7 that:

8 “(A) [Use] **Uses** an alternative fuel including electricity, [ethanol] **biofuel**, gasohol with at least  
9 [10] **20** percent denatured alcohol content, hydrogen, hythane, methane, methanol, natural gas,  
10 propane or any other fuel approved by the Director of the State Department of Energy; and

11 “(B) [Produce] **Produces** lower [or equivalent] exhaust emissions or [are] is more energy efficient  
12 than **equivalent equipment** [vehicles] fueled by gasoline **or diesel**; and

13 “(b) A facility, including a fueling station, **or equipment** necessary to **produce alternative fuel**  
14 **or** operate **equipment that uses** an alternative fuel [vehicle fleet].

15 “(2) ‘Applicant’ means an applicant for a small scale local energy project loan.

16 “(3) ‘Committee’ means the Small Scale Local Energy Project Advisory Committee created under  
17 ORS 470.070.

18 “(4) ‘Cooperative’ means a cooperative corporation organized under ORS chapter 62.

19 “(5) ‘Director’ means the Director of the State Department of Energy appointed under ORS  
20 469.040.

21 “(6) ‘Eligible federal agency’ means a federal agency or public corporation created by the federal  
22 government that proposes to use a loan for a small scale energy project. ‘Eligible federal agency’  
23 does not include a federal agency or public corporation created by the federal government that  
24 proposes to use a loan for a small scale energy project to generate electricity for sale.

25 “(7) ‘Eligible state agency’ means a state officer, board, commission, department, institution,  
26 branch or agency of the state whose costs are paid wholly or in part from funds held in the State  
27 Treasury.

28 “(8) ‘Loan’ includes the purchase or other acquisition of evidence of indebtedness and money  
29 used for the purchase or other acquisition of evidence of indebtedness.

30 “(9) ‘Loan contract’ means the evidence of indebtedness and all instruments used in the purchase  
31 or acquisition of the evidence of indebtedness. For eligible federal or state agencies or municipal  
32 corporations that are tax exempt entities, a loan contract may include a lease purchase agreement  
33 with respect to personal property.

34 “(10) ‘Loan fund’ means the Small Scale Local Energy Project Loan Fund created by Article XI-J  
35 of the Oregon Constitution.

1       “(11) ‘Municipal corporation’ has the meaning given in ORS 297.405 and also includes any Indian  
2 tribe or authorized Indian tribal organization or any combination of two or more of these tribes or  
3 organizations acting jointly in connection with a small scale local energy project.

4       “(12) ‘Oregon business’ means a sole proprietorship, partnership, company, cooperative, corpo-  
5 ration or other form of business entity that is organized or authorized to do business under Oregon  
6 law for profit.

7       “(13) ‘Recycling project’ means a facility or equipment that converts waste into a new and usa-  
8 ble product.

9       “(14) ‘Small business’ means:

10      “(a) An Oregon business that is:

11      “(A) A retail or service business employing 50 or fewer persons at the time the loan is made;

12      or

13      “(B) An industrial or manufacturing business employing 200 or fewer persons at the time the  
14 loan is made; or

15      “(b) An Oregon subsidiary of a sole proprietorship, partnership, company, cooperative, corpo-  
16 ration or other form of business entity for which the total number of employees for both the sub-  
17 sidiary and the parent sole proprietorship, partnership, company, cooperative, corporation or other  
18 form of business entity at the time the loan is made is:

19      “(A) Fifty or fewer persons if the subsidiary is a retail or service business; and

20      “(B) Two hundred or fewer if the subsidiary is an industrial or manufacturing business.

21      “(15) ‘Sinking fund’ means the Small Scale Local Energy Project Administration and Bond  
22 Sinking Fund created in ORS 470.300.

23      “(16) ‘Small scale local energy project’ means:

24      “(a) A system, mechanism or series of mechanisms located primarily in Oregon that directly or  
25 indirectly uses or enables the use of, by the applicant or another person, renewable resources in-  
26 cluding, but not limited to, solar, wind, geothermal, biomass, waste heat or water resources to  
27 produce energy, including heat, electricity and substitute fuels, to meet a local community or re-  
28 gional energy need in this state;

29      “(b) A system, mechanism or series of mechanisms located primarily in Oregon or providing  
30 substantial benefits to Oregon that directly or indirectly conserves energy or enables the conserva-  
31 tion of energy by the applicant or another person, including energy used in transportation;

32      “(c) A recycling project;

33      “(d) An alternative fuel project;

34      “(e) An improvement that increases the production or efficiency, or extends the operating life,  
35 of a system, mechanism, series of mechanisms or project otherwise described in this subsection, in-  
36 cluding but not limited to restarting a dormant project;

37      “(f) A system, mechanism or series of mechanisms installed in a facility or portions of a facility  
38 that directly or indirectly reduces the amount of energy needed for the construction and operation  
39 of the facility and that meets the sustainable building practices standard established by the State  
40 Department of Energy by rule; or

41      “(g) A project described in paragraphs (a) to (f) of this subsection, whether or not the existing  
42 project was originally financed under this chapter, together with any refinancing necessary to re-  
43 move prior liens or encumbrances against the existing project.

44      “(h) A project described in paragraphs (a) to (g) of this subsection that conserves energy or  
45 produces energy by generation or by processing or collection of a renewable resource.

1       “**SECTION 2.** ORS 470.070 is amended to read:

2       “470.070. (1) The Director of the State Department of Energy shall appoint a Small Scale Local  
3 Energy Project Advisory Committee to review applications made under ORS 470.060 and rules  
4 adopted under ORS 470.080, and make recommendations thereon to the director.

5       “(2) Seven members shall be appointed to the Small Scale Local Energy Project Advisory Com-  
6 mittee. Each member shall be appointed to serve a [*two-year*] **four-year** term, commencing on the  
7 date of appointment, and until a successor is appointed and qualified. The members shall represent  
8 the interest of the citizens of this state and shall be knowledgeable in the areas of small scale en-  
9 ergy technology, natural resource development, environmental protection, finance, agriculture, local  
10 government operations and utility operations. At least three members shall reside outside the  
11 Willamette Valley.

12       “(3) The committee shall elect its own presiding officer, adopt rules for its procedure and meet  
13 on call of the presiding officer or a majority of the members. A majority of the members shall con-  
14 stitute a quorum to do business. The director shall provide administrative facilities and services for  
15 the committee.

16       “(4) Members of the Small Scale Local Energy Project Advisory Committee shall be entitled to  
17 expenses as provided by ORS 292.495.

18       “**SECTION 3.** (1) **The amendments to ORS 470.050 by section 1 of this 2009 Act apply to**  
19 **applications to obtain loan funds for small scale local energy projects first filed with the**  
20 **State Department of Energy on or after the effective date of this 2009 Act.**

21       “(2) **The amendments to ORS 470.070 by section 2 of this 2009 Act apply to terms begun**  
22 **on or after the effective date of this 2009 Act.”.**

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