

## CONFERENCE COMMITTEE AMENDMENTS TO B-ENGROSSED HOUSE BILL 3039

June 22

### Amended Summary

Directs Public Utility Commission to establish, **prior to April 1, 2010**, pilot program for each electric company to demonstrate use and effectiveness of incentive rates and payments for electricity delivered from equipment and devices that have primary purpose of collecting solar energy and generating electricity by photovoltaic effect. Directs commission to report on implementation of pilot programs to Legislative Assembly on or before January 1, 2011.

**Requires each electric company to maintain, on or before January 1, 2020, specified generating capacity from certain alternative energy or solar photovoltaic energy systems. Requires total solar photovoltaic generating nameplate capacity from qualifying systems to be, on or before January 1, 2020, specified amount of alternating current.**

**Allows electric companies to use electricity produced by qualifying systems to comply with renewable portfolio standard established by statute.**

Declares emergency, effective on passage.

#### Speaker Hunt:

Your Conference Committee to whom was referred B-engrossed House Bill 3039, having had the same under consideration, respectfully reports it back with the recommendation that the House concur in the Senate amendments dated June 8 and that the bill be amended as follows and repassed.

1 On page 1 of the printed B-engrossed bill, line 4, delete “3” and insert “5”.

2 In line 16, delete “customer” and insert “retail electricity consumer”.

3 In line 17, delete “customer” and insert “retail electricity consumer”.

4 In line 21, after “design,” insert “interconnection,” and after “standards” insert “and codes”.

5 On page 2, line 11, after “(1)” insert “Prior to April 1, 2010,”.

6 In line 16, after the period insert “Qualifying systems enrolled in the pilot program may not  
7 have nameplate generating capacity greater than 500 kilowatts.”.

8 In line 25, after the period insert “The consumer thereafter may receive payments based upon  
9 the actual electricity generated from the qualifying system at a rate equal to the resource value.”.

10 In line 31, delete “small-scale qualifying systems” and insert “smaller-scale qualifying systems  
11 within the allowed generating capacity range”.

12 On page 3, after line 20, insert:

13 **“SECTION 3. (1) On or before January 1, 2020, the total solar photovoltaic generating  
14 nameplate capacity, from qualifying systems generating at least 500 kilowatts, of all electric  
15 companies in this state must be at least 20 megawatts of alternating current with no single  
16 project greater than five megawatts of alternating current.**

17 **“(2) For the purpose of complying with the solar photovoltaic generating capacity stand-  
18 ard established by this section, on or before January 1, 2020, each electric company is re-  
19 quired to maintain a minimum generating capacity from qualifying systems. The minimum  
20 generating capacity for each electric company is determined by multiplying 20 megawatts by  
21 a fraction equal to the electric company’s share of all retail electricity sales made in this**

1 state in 2008 by all electric companies.

2 “(3) For the purposes of sections 1 to 5 of this 2009 Act, capacity of a solar photovoltaic  
3 energy system is measured on the alternating current side of the system’s inverter using the  
4 measurement standards set forth by the Public Utility Commission by rule. If the system  
5 does not use an inverter, the measurement shall be made at the direct current level.

6 “(4) An electric company may satisfy the solar photovoltaic generating capacity standard  
7 established by this section with solar photovoltaic energy systems owned by the company or  
8 with contracts for the purchase of electricity from qualifying systems.

9 “(5) All costs prudently incurred by an electric company to comply with the solar  
10 photovoltaic generating capacity standard established by this section are recoverable in the  
11 company’s rates and are eligible for an automatic adjustment clause established by the  
12 commission under ORS 469A.120.

13 “(6) Costs associated with compliance with the solar photovoltaic generating capacity  
14 standard established by this section are not above-market costs for purposes of ORS 757.600  
15 to 757.689.

16 “(7) The commission may adopt rules implementing and enforcing this section.

17 “SECTION 4. (1) Any electricity produced from a qualifying system under section 3 of  
18 this 2009 Act that is physically located in this state may be used by an electric company to  
19 comply with the renewable portfolio standard established under ORS 469A.005 to 469A.210.

20 “(2) For each kilowatt-hour of electricity produced from a qualifying system that first  
21 becomes operational before January 1, 2016, and generates at least 500 kilowatts, an electric  
22 company will be credited with two kilowatt-hours of qualifying electricity toward the com-  
23 pany’s compliance with the renewable portfolio standard under ORS 469A.005 to 469A.210, up  
24 to a maximum of 20 megawatts of capacity.

25 “SECTION 5. Sections 1 to 5 of this 2009 Act apply only to qualifying systems that are  
26 solar photovoltaic energy systems.”.

27 In line 21, delete “3” and insert “6”.

28 In line 36, delete “4” and insert “7”.

29 In line 39, after the period insert “In compiling its report, the commission shall also consider  
30 regulatory policies designed to increase the use of solar photovoltaic energy systems, make them  
31 more affordable, reduce the cost of incentive programs to utility customers and promote the devel-  
32 opment of the solar industry in Oregon. The commission’s report must compare policy options with  
33 respect to their impact on utility customers and solar industry development in Oregon.”.

34 Delete line 40 and insert:

35 “SECTION 8. Nothing in sections 1 to 5 and 6 of this 2009 Act affects the authority of the  
36 Public Utility Commission to set fair and reasonable rates as authorized under ORS 756.040  
37 (1).

38 “SECTION 9. Section 6 of this 2009 Act becomes operative on April 1, 2010.”.

39 In line 41, delete “6” and insert “10”.

40 /s/ Tobias Read  
41 Representative

42 /s/ Vic Gilliam  
43 Representative

44 /s/ Larry Galizio  
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Representative

/s/ Jackie Dingfelder  
Senator

/s/ Larry George  
Senator

/s/ Rick Metsger  
Senator

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