

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass
Vote: 5 - 0 - 0
Yeas: George, Schrader, Starr, Verger, Metsger
Nays: -
Exc.: -
Prepared By: Jim Stenbridge, Administrator
Meeting Dates: 2/15

WHAT THE MEASURE DOES: Allows electricity generated from facility using biomass that became operational before January 1, 1995 to comply with Oregon’s renewable portfolio standard (RPS) beginning on January 1, 2026, if located in Oregon and meets requirements for qualified facility under the federal Public Utility Regulatory Policies Act of 1975. Allows resulting renewable energy credits (RECs) to be banked for use on or after January 1, 2026. Authorizes facility generating electricity from direct combustion of municipal solid waste facility, operational before January 1, 1995 and located in Oregon, to comply with the RPS for up to 11 average megawatts generated annually after January 1, 2026. Requires an owner or operator of a pre-1995 biomass facility to file information on total generating capacity with Western Renewable Energy Generation Information System or other regional system designated by the Oregon Department of Energy by January 1, 2011. Allows up to nine megawatts per year of electricity generated by direct combustion of municipal solid waste, by generating facilities that became operational on or after January 1, 1995, for purpose of complying with the RPS. Authorizes the Public Utility Commission (PUC) to allow full recovery of costs by public utilities investing in hydrogen power facilities. Modifies electricity generated from hydrogen that may be used to comply with the RPS to include “hydrogen hubs,” electricity generated by power stations using anhydrous ammonia as fuel source. Repeals amendments to the RPS if Act is declared unconstitutional.

ISSUES DISCUSSED:

- Background on work-group compromises that led to agreement among many stakeholders
- Pioneering renewable energy efforts of biomass energy production
- Vetoed measure HB 2940 (2009)
- Future of renewable energy development in Oregon

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Renewable Portfolio Standard (RPS) requires all utilities and electricity service suppliers serving Oregon’s load include in their portfolio of power sold to retail customers a percentage of electricity generated from qualifying renewable energy sources. ORS 469A.020 defines qualifying renewable electric energy facilities, for purpose of complying with the RPS, as facilities operational or improved efficiency on or after January 1, 1995. The percentage of qualifying electricity that must be included increases over time, with all utilities and electricity service suppliers obligated to include some renewably-generated electricity in their portfolio by the year 2025.

“Biomass” refers to living and recently dead biological material that can be used as fuel or for industrial production. “Hydrogen hubs” are energy storage systems using off-peak and/or stranded hydroelectric or wind power to synthesize ammonia (NH₃) from water and air, thus storing energy through chemical conversion. During peak power demand, stored ammonia is run through converted diesel or gas generators to provide power. Hydrogen hubs provide utilities a way to avoid or delay building new baseline generating capability and new power transmission lines.

2/16/2010 10:20:00 AM

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