

REVENUE: Revenue statement issued

FISCAL: Fiscal statement issued

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<b>Action:</b>	Without Recommendation as to Passage, but with Amendments and Be Printed Engrossed, Be Referred to the Committee on Revenue and then Tax Credits
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Beyer, Lindsay, Nathanson, Sheehan, Smith J., Weidner, Bentz, Read
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Zachary Rothmier, Administrator
<b>Meeting Dates:</b>	2/16, 4/18

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**WHAT THE MEASURE DOES:** Creates an energy generation energy tax credit.

**ISSUES DISCUSSED:**

- The conservation tax credit needs further review in Revenue and Tax Credit committees

**EFFECT OF COMMITTEE AMENDMENT:** Replaces original measure.

**BACKGROUND:** The renewable energy generation component refers to renewable energy production systems, which are defined as systems that use biomass, solar, geothermal, hydroelectric or wave, tidal or ocean thermal energy technology to produce energy. This credit is managed by the Oregon Department of Energy (ODOE).

House Bill 2208-A makes the following changes to the program:

- Total system credit not to exceed \$2 million; total system cost not to exceed \$20 million
- Cumulative government incentives (including state and federal credits, grants and loans) not to exceed 75 percent of total system cost
- Removes transferability of credit
- Specifies preference to be given to systems that provide long-term energy savings from use of renewable energy resources
- Directs ODOE to establish a tiered priority system for evaluating applicants for certification of systems, based on certified system costs, consideration of diverse technologies and net metered systems
- Minimum performance and efficiency standards to be set by administrative rule
- Includes number and types of jobs created by the system as consideration criteria
- Alternative fuel vehicle credits limited to commercial vehicles
- Allows ODOE to adopt a fee schedule for applicants to cover cost of program to department
- Sets cap for total amount of potential tax credits at \$150 million for period of July 1, 2012 to July 1, 2013

House Bill 2208-A also requires the Department to report to Legislative Assembly on the status of the program each odd-numbered year.