

House Bill 2713

Sponsored by Representative SMITH; Representatives BERGER, ESQUIVEL, HUFFMAN, JOHNSON

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Specifies that electricity from hydroelectric facility located on those portions of Columbia River that about Oregon qualifies for renewable portfolio standard to extent that electricity generated is attributable to Oregon's share of electricity.

A BILL FOR AN ACT

1
2 Relating to electricity from hydroelectric facilities used to comply with a renewable portfolio
3 standard; amending ORS 469A.020 and 469A.025.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 469A.020 is amended to read:

6 469A.020. (1) Except as provided in this section, electricity may be used to comply with a
7 renewable portfolio standard only if the electricity is generated by:

8 (a) A facility that becomes operational on or after January 1, 1995[.]; **or**

9 (b) **A hydroelectric facility located on those portions of the Columbia River that about**
10 **Oregon to the extent that the electricity generated is attributable to Oregon's share of the**
11 **electricity.**

12 (2) Electricity from a generating facility, other than a hydroelectric facility, that became oper-
13 ational before January 1, 1995, may be used to comply with a renewable portfolio standard if the
14 electricity is attributable to capacity or efficiency upgrades made on or after January 1, 1995.

15 (3) **In addition to electricity from a hydroelectric facility described in subsection (1)(b)**
16 **of this section,** electricity from a hydroelectric facility that became operational before January 1,
17 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to
18 efficiency upgrades made on or after January 1, 1995. [*If an efficiency upgrade is made to a*
19 *Bonneville Power Administration facility, only that portion of the electricity generation attributable to*
20 *Oregon's share of the electricity may be used to comply with a renewable portfolio standard.*]

21 (4) **In addition to electricity from a hydroelectric facility described in subsection (1)(b)**
22 **of this section, and** subject to the limit imposed by ORS 469A.025 (5), electricity from a hydro-
23 electric facility that became operational before January 1, 1995, may be used to comply with a
24 renewable portfolio standard if the facility is certified as a low-impact hydroelectric facility on or
25 after January 1, 1995, by a national certification organization recognized by the State Department
26 of Energy by rule, and if the facility is either:

27 (a) Owned by an electric utility; or

28 (b) Not owned by an electric utility and located in Oregon and licensed by the Federal Energy
29 Regulatory Commission under the Federal Power Act, 16 U.S.C. 791a et seq., or exempt from such
30 license.

31 (5)(a) Electricity from a generating facility located in this state that uses biomass and that be-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 came operational before January 1, 1995, may be used to comply with a renewable portfolio standard
2 if the facility meets the requirements of the federal Public Utility Regulatory Policies Act of 1978
3 (P.L. 95-617) on March 4, 2010, regardless of whether the facility qualifies under the requirements
4 of the Public Utility Commission.

5 (b) Renewable energy certificates derived from electricity generated by a facility that qualifies
6 under paragraph (a) of this subsection may not be used to comply with a renewable portfolio
7 standard before January 1, 2026. However, renewable energy certificates issued before January 1,
8 2026, may be banked pursuant to ORS 469A.005 to 469A.210 for use on or after January 1, 2026.

9 (6) A facility located in this state that generates electricity from direct combustion of municipal
10 solid waste and that became operational before January 1, 1995, may be used to comply with a
11 renewable portfolio standard for up to 11 average megawatts of electricity generated per calendar
12 year. Renewable energy certificates derived from electricity generated by a facility described in this
13 subsection may not be used to comply with a renewable portfolio standard before January 1, 2026.
14 However, renewable energy certificates issued before January 1, 2026, may be banked pursuant to
15 ORS 469A.005 to 469A.210 for use on or after January 1, 2026.

16 **SECTION 2.** ORS 469A.025 is amended to read:

17 469A.025. (1) Electricity generated utilizing the following types of energy may be used to comply
18 with a renewable portfolio standard:

19 (a) Wind energy.

20 (b) Solar photovoltaic and solar thermal energy.

21 (c) Wave, tidal and ocean thermal energy.

22 (d) Geothermal energy.

23 **(e) Electricity from a hydroelectric facility described in ORS 469A.020 (1)(b).**

24 (2) Except as provided in subsection (3) of this section, electricity generated from biomass and
25 biomass by-products may be used to comply with a renewable portfolio standard, including but not
26 limited to electricity generated from:

27 (a) Organic human or animal waste;

28 (b) Spent pulping liquor;

29 (c) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest
30 or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;

31 (d) Wood material from hardwood timber grown on land described in ORS 321.267 (3);

32 (e) Agricultural residues;

33 (f) Dedicated energy crops; and

34 (g) Landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters or
35 municipal solid waste.

36 (3) Electricity generated from the direct combustion of biomass may not be used to comply with
37 a renewable portfolio standard if any of the biomass combusted to generate the electricity includes
38 wood that has been treated with chemical preservatives such as creosote, pentachlorophenol or
39 chromated copper arsenate.

40 (4) Electricity generated by a hydroelectric facility **not described in ORS 469A.020 (1)(b)** may
41 be used to comply with a renewable portfolio standard only if:

42 (a) The facility is located outside any protected area designated by the Pacific Northwest Elec-
43 tric Power and Conservation Planning Council as of July 23, 1999, or any area protected under the
44 federal Wild and Scenic Rivers Act, P.L. 90-542, or the Oregon Scenic Waterways Act, ORS 390.805
45 to 390.925; or

1 (b) The electricity is attributable to efficiency upgrades made to the facility on or after January
 2 1, 1995.

3 (5)(a) Up to 50 average megawatts of electricity per year generated by an electric utility from
 4 certified low-impact hydroelectric facilities described in ORS 469A.020 (4)(a) may be used to comply
 5 with a renewable portfolio standard, without regard to the number of certified facilities operated
 6 by the electric utility or the generating capacity of those facilities. A hydroelectric facility described
 7 in this paragraph is not subject to the requirements of subsection (4) of this section.

8 (b) Up to 40 average megawatts of electricity per year generated by certified low-impact hy-
 9 droelectric facilities described in ORS 469A.020 (4)(b) may be used to comply with a renewable
 10 portfolio standard, without regard to the number of certified facilities or the generating capacity
 11 of those facilities. A hydroelectric facility described in this paragraph is not subject to the require-
 12 ments of subsection (4) of this section.

13 (6)(a) Direct combustion of municipal solid waste in a generating facility located in this state
 14 may be used to comply with a renewable portfolio standard. The qualification of a municipal solid
 15 waste facility for use in compliance with a renewable portfolio standard has no effect on the quali-
 16 fication of the facility for a tax credit under ORS 469B.130 to 469B.169.

17 (b) The total amount of electricity generated in this state by direct combustion of municipal
 18 solid waste by generating facilities that became operational in this state on or after January 1, 1995,
 19 may not exceed nine average megawatts per year for the purpose of complying with a renewable
 20 portfolio standard.

21 (7) Electricity generated from hydrogen gas, including electricity generated by hydrogen power
 22 stations using anhydrous ammonia as a fuel source, may be used to comply with a renewable port-
 23 folio standard if:

24 (a) The electricity is derived from:

25 (A) Any source of energy described in subsection (1) or (2) of this section; or

26 (B) A hydroelectric facility that complies with subsection (4) of this section and that is certified
 27 as a low-impact hydroelectric facility as described in ORS 469A.020 (4); and

28 (b) The output of the original source of energy is not also used to comply with a renewable
 29 portfolio standard.

30 (8) If electricity generation employs multiple energy sources, that portion of the electricity
 31 generated that is attributable to energy sources described in this section may be used to comply
 32 with a renewable portfolio standard.

33 (9) The State Department of Energy by rule may approve energy sources other than those de-
 34 scribed in this section that may be used to comply with a renewable portfolio standard. The de-
 35 partment may not approve petroleum, natural gas, coal or nuclear fission as an energy source that
 36 may be used to comply with a renewable portfolio standard.

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