

**PROPOSED AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2435**

1 On page 1 of the printed A-engrossed bill, line 2, after “319.530” insert “,
2 469A.020 and 469A.025”.

3 On page 2, after line 14, insert:

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

5 “469A.020. (1) Except as provided in this section, electricity may be used
6 to comply with a renewable portfolio standard only if the electricity is gen-
7 erated by:

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

10 **“(b) A hydroelectric facility.**

11 “(2) Electricity from a generating facility, other than a [*hydroelectric*] fa-
12 cility **described in subsection (3) or (4) of this section**, that became op-
13 erational before January 1, 1995, may be used to comply with a renewable
14 portfolio standard if the electricity is attributable to capacity or efficiency
15 upgrades made on or after January 1, 1995.

16 “[*(3) Electricity from a hydroelectric facility that became operational before*
17 *January 1, 1995, may be used to comply with a renewable portfolio standard*
18 *if the electricity is attributable to efficiency upgrades made on or after January*
19 *1, 1995. If an efficiency upgrade is made to a Bonneville Power Administration*
20 *facility, only that portion of the electricity generation attributable to Oregon’s*
21 *share of the electricity may be used to comply with a renewable portfolio*
22 *standard.*]

1 “[4] *Subject to the limit imposed by ORS 469A.025 (5), electricity from a*
2 *hydroelectric facility that became operational before January 1, 1995, may be*
3 *used to comply with a renewable portfolio standard if the facility is certified*
4 *as a low-impact hydroelectric facility on or after January 1, 1995, by a national*
5 *certification organization recognized by the State Department of Energy by*
6 *rule, and if the facility is either:]*

7 “[a] *Owned by an electric utility; or]*

8 “[b] *Not owned by an electric utility and located in Oregon and licensed*
9 *by the Federal Energy Regulatory Commission under the Federal Power Act,*
10 *16 U.S.C. 791a et seq., or exempt from such license.]*

11 “[5)(a)] **(3)(a)** Electricity from a generating facility located in this state
12 that uses biomass and that became operational before January 1, 1995, may
13 be used to comply with a renewable portfolio standard if the facility meets
14 the requirements of the federal Public Utility Regulatory Policies Act of 1978
15 (P.L. 95-617) on March 4, 2010, regardless of whether the facility qualifies
16 under the requirements of the Public Utility Commission.

17 “(b) Renewable energy certificates derived from electricity generated by
18 a facility that qualifies under paragraph (a) of this subsection may not be
19 used to comply with a renewable portfolio standard before January 1, 2026.
20 However, renewable energy certificates issued before January 1, 2026, may
21 be banked pursuant to ORS 469A.005 to 469A.210 for use on or after January
22 1, 2026.

23 “[6)] **(4)** A facility located in this state that generates electricity from
24 direct combustion of municipal solid waste and that became operational be-
25 fore January 1, 1995, may be used to comply with a renewable portfolio
26 standard for up to 11 average megawatts of electricity generated per calendar
27 year. Renewable energy certificates derived from electricity generated by a
28 facility described in this subsection may not be used to comply with a
29 renewable portfolio standard before January 1, 2026. However, renewable
30 energy certificates issued before January 1, 2026, may be banked pursuant

1 to ORS 469A.005 to 469A.210 for use on or after January 1, 2026.

2 **“SECTION 6.** ORS 469A.025 is amended to read:

3 “469A.025. (1) Electricity generated utilizing the following [*types*] **sources**
4 of energy may be used to comply with a renewable portfolio standard:

5 “(a) Wind energy.

6 “(b) Solar photovoltaic and solar thermal energy.

7 “(c) Wave, tidal and ocean thermal energy.

8 “(d) Geothermal energy.

9 **“(e) Hydroelectric energy.**

10 “(2) Except as provided in subsection (3) of this section, electricity gen-
11 erated from biomass and biomass by-products may be used to comply with a
12 renewable portfolio standard, including but not limited to electricity gener-
13 ated from:

14 “(a) Organic human or animal waste;

15 “(b) Spent pulping liquor;

16 “(c) Forest or rangeland woody debris from harvesting or thinning con-
17 ducted to improve forest or rangeland ecological health and to reduce un-
18 characteristic stand replacing wildfire risk;

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

21 “(e) Agricultural residues;

22 “(f) Dedicated energy crops; and

23 “(g) Landfill gas or biogas produced from organic matter, wastewater,
24 anaerobic digesters or municipal solid waste.

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

30 “[*(4) Electricity generated by a hydroelectric facility may be used to comply*”

1 *with a renewable portfolio standard only if:]*

2 *“(a) The facility is located outside any protected area designated by the*
3 *Pacific Northwest Electric Power and Conservation Planning Council as of*
4 *July 23, 1999, or any area protected under the federal Wild and Scenic Rivers*
5 *Act, P.L. 90-542, or the Oregon Scenic Waterways Act, ORS 390.805 to*
6 *390.925; or]*

7 *“(b) The electricity is attributable to efficiency upgrades made to the fa-*
8 *cility on or after January 1, 1995.]*

9 *“(5)(a) Up to 50 average megawatts of electricity per year generated by an*
10 *electric utility from certified low-impact hydroelectric facilities described in*
11 *ORS 469A.020 (4)(a) may be used to comply with a renewable portfolio stand-*
12 *ard, without regard to the number of certified facilities operated by the electric*
13 *utility or the generating capacity of those facilities. A hydroelectric facility*
14 *described in this paragraph is not subject to the requirements of subsection (4)*
15 *of this section.]*

16 *“(b) Up to 40 average megawatts of electricity per year generated by certi-*
17 *fied low-impact hydroelectric facilities described in ORS 469A.020 (4)(b) may*
18 *be used to comply with a renewable portfolio standard, without regard to the*
19 *number of certified facilities or the generating capacity of those facilities. A*
20 *hydroelectric facility described in this paragraph is not subject to the require-*
21 *ments of subsection (4) of this section.]*

22 *“(6)(a) (4)(a) Direct combustion of municipal solid waste in a generating*
23 *facility located in this state may be used to comply with a renewable port-*
24 *folio standard. The qualification of a municipal solid waste facility for use*
25 *in compliance with a renewable portfolio standard has no effect on the*
26 *qualification of the facility for a tax credit under ORS 469B.130 to 469B.169.*

27 *“(b) The total amount of electricity generated in this state by direct*
28 *combustion of municipal solid waste by generating facilities that became*
29 *operational in this state on or after January 1, 1995, may not exceed nine*
30 *average megawatts per year for the purpose of complying with a renewable*

1 portfolio standard.

2 “[7] (5) Electricity generated from hydrogen gas, including electricity
3 generated by hydrogen power stations using anhydrous ammonia as a fuel
4 source, may be used to comply with a renewable portfolio standard if:

5 “(a) The electricity is derived from[:] **any source of energy described**
6 **in subsection (1) or (2) of this section; and**

7 “[A] *Any source of energy described in subsection (1) or (2) of this section;*
8 *or]*

9 “[B] *A hydroelectric facility that complies with subsection (4) of this sec-*
10 *tion and that is certified as a low-impact hydroelectric facility as described in*
11 *ORS 469A.020 (4); and]*

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

14 “[8] (6) If electricity generation employs multiple energy sources, that
15 portion of the electricity generated that is attributable to energy sources
16 described in this section may be used to comply with a renewable portfolio
17 standard.

18 “[9] (7) The State Department of Energy by rule may approve energy
19 sources other than those described in this section that may be used to comply
20 with a renewable portfolio standard. The department may not approve pe-
21 troleum, natural gas, coal or nuclear fission as an energy source that may
22 be used to comply with a renewable portfolio standard.”.

23 In line 15, delete “5” and insert “7”.

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