



Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

February 4, 2014

Senator Lee Beyer, Chair
Senate Business and Transportation Committee
900 Court St. NE
Salem, OR 97301

Dear Senator Beyer and Members of the Committee:

The City of Portland respectfully submits this written testimony in support of SB 1520.

The City of Portland Climate Action Plan establishes an objective to produce 10 percent of the total energy used in Multnomah County from on-site renewable sources and clean district energy systems. In an urban setting like Portland, the majority of on-site renewable energy generation is likely to come from solar energy.

In collaboration with a strong network of local partners, Portland has been working to transform the market for solar energy since 2006. After several years working to increase demand for on-site residential solar, Portland saw a clear need for community solar.

Community solar is a powerful concept because it resolves a number of existing market barriers and inequities. The National Renewable Energy Laboratory has estimated that only 25 percent of residential roof area is suitable to host on-site solar energy systems. Community solar presents a solution for:

- Homeowners without sufficient solar access or with roof conditions that preclude solar installation;
- Renters, a ratepayer class that is often hard to reach with programs and services; and
- Those who will are not in a financial position to purchase or lease an on-site solar energy system.

The Bureau of Planning and Sustainability has invested three years researching and piloting community solar efforts in Portland together with a range of private and nonprofit sector partners. It is clear from our collective experience that Oregon's current legal and regulatory framework strongly inhibits the development of community-shared solar. It is similarly inhibitive for community wind and other types of renewable energy projects more common in rural parts of the state. Other states, such as Colorado, Washington, and California, have passed legislation that supports community investment in renewables.

SB 1520 presents a solid first step toward making Oregon's regulatory climate more open to the development of community-shared renewable energy projects. SB 1520 would define a structure by which individual Oregonians could voluntarily come together to fund and build renewable energy systems in their community through a formation of a cooperative. It would exempt these community enterprises from onerous and expensive registration requirements



with the state investment regulator. Similar to existing exemptions for fishing, agricultural, and grocery cooperatives, SB1520 would ease the process of acquiring members and encouraging business investment. Exempting renewable energy cooperatives from state securities regulation reduces risk for project developers and community-based owners and therefore lowers barriers to market development.

The City of Portland encourages the Senate Committee on Business and Transportation to support SB 1520 and facilitate the development of community-funded renewable energy.

Sincerely,



Susan Anderson
Director
City of Portland Bureau of Planning and Sustainability

