

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass the A-Engrossed Measure
Vote:	6 - 0 - 0
Yeas:	Edwards, Girod, Monroe, Starr, Thomsen, Beyer
Nays:	0
Exc.:	0
Prepared By:	Patrick Brennan, Administrator
Meeting Dates:	2/25

WHAT THE MEASURE DOES: Allows consumer-owned utilities to use certain amounts of unbundled renewable energy certificates to meet the renewable portfolio standard under certain circumstances. Directs the Public Utility Commission to study the impact of allowing electric companies to offer voluntary renewable energy tariffs to non-residential customers and to use results of the study to determine whether, and under what conditions, it is reasonable and in the public interest to allow electric companies to do so. Authorizes the use of such tariffs upon determination by the Commission to allow such tariffs. Specifies that all costs associated with the tariffs are to be borne by the non-residential customer receiving services under the tariff.

ISSUES DISCUSSED:

- Provides Public Utility Commission with increased flexibility
- Product of task force comprised of stakeholders
- Transition of utilities from small electric utilities to large electric utilities
- Hydroelectric power and renewable portfolio standard
- Initiative petition to include hydroelectric power in renewable portfolio standard
- Initiative petition signature gathering and withdrawal process
- Potential impacts of green energy on wildlife and environment
- Competition between investor-owned utilities and electricity suppliers

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Legislative Assembly created the Renewable Portfolio Standard (RPS) with the passage of Senate Bill 838 in 2007. Under the RPS, Oregon utilities are required to deliver a percentage of the electricity they provide from eligible renewable sources by 2025, with large utilities also being held to interim standards. Utilities may utilize any combination of the following options to comply with the standard: construction of an eligible facility (or continued operation of an existing one) and use of the power and associated renewable energy credits; purchase power and associated credits from an eligible facility owned by another party; purchase “unbundled” renewable energy credits (without also purchasing the electricity generated to create the credit); or make alternative compliance payments with an option to use the funds for energy efficiency or to build an eligible facility in the future. Different classes and sizes of utilities have different requirements under the RPS.

Under current law, utilities are limited in the amount of their RPS obligation that may be met by use of unbundled credits. House Bill 4126-A specifies the amount of unbundled credits that large utilities (those that sell electricity equivalent to three percent or more of all electricity sold to retail consumers) may utilize to meet the RPS in the future.

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