

**PROPOSED AMENDMENTS TO
HOUSE BILL 2941**

1 On page 1 of the printed bill, delete lines 4 through 27 and delete pages
2 2 through 5 and insert:

3 **“SECTION 1. Definitions. As used in sections 1 to 6 of this 2015 Act:**

4 **“(1) ‘Community solar garden’ means a facility that uses solar**
5 **power to generate electricity for a subscriber organization established**
6 **in accordance with section 3 of this 2015 Act.**

7 **“(2) ‘Electric company’ means an electric company, as defined in**
8 **ORS 757.600, that makes sales of electricity to retail electricity con-**
9 **sumers in an amount that equals three percent or more of all elec-**
10 **tricity sold by all electric companies to all retail electricity consumers.**

11 **“(3) ‘Generating capacity’ means the maximum rated output of a**
12 **community solar garden as determined by aggregating the nameplate**
13 **capacity, as defined in ORS 757.360, of each generator of electricity**
14 **that is a part of the community solar garden.**

15 **“(4) ‘Retail electricity consumer’ means a retail electricity con-**
16 **sumer, as defined in ORS 757.600, that is located in this state.**

17 **“(5) ‘Subscriber’ means a retail customer of an electric company**
18 **that owns a subscription.**

19 **“(6) ‘Subscription’ means an interest in the electricity generated**
20 **by a community solar garden.**

21 **“SECTION 2. Community solar gardens. (1) For a subscriber to re-**
22 **ceive credit under section 5 of this 2015 Act for electricity generated**

1 by a community solar garden, the community solar garden must:

2 “(a) Have a generating capacity of two megawatts or less;

3 “(b) Be connected to an electric company’s electricity distribution
4 system using a production meter capable of registering the flow of
5 electricity into the electric company’s electricity distribution system;
6 and

7 “(c) Generate electricity for 10 or more subscribers.

8 “(2) A community solar garden may be owned by an electric com-
9 pany or any other for-profit or nonprofit organization, including a
10 subscriber organization established in accordance with section 3 of this
11 2015 Act.

12 “(3) For purposes of sections 1 to 6 of this 2015 Act, the owner of a
13 community solar garden is not a public utility subject to regulation
14 by the Public Utility Commission under ORS chapter 757.

15 “SECTION 3. Subscriber organizations. (1) For a subscriber to re-
16 ceive credit under section 5 of this 2015 Act for electricity generated
17 by a community solar garden, the subscriber must belong to a sub-
18 scriber organization that:

19 “(a) Owns a community solar garden; or

20 “(b) Enters into a contract with the owner of a community solar
21 garden under the terms of which the owner operates the community
22 solar garden on behalf of the subscriber organization.

23 “(2) The Public Utility Commission shall adopt rules establishing
24 criteria by which a subscriber organization may own a community
25 solar garden or enter into a contract as described in subsection (1) of
26 this section. At a minimum, rules adopted under this subsection must:

27 “(a) Prohibit a subscriber organization from participating in activ-
28 ities that are not related to the ownership or operation of a commu-
29 nity solar garden;

30 “(b) Establish the minimum amount of capital required to own a

1 community solar garden;

2 “(c) Allow a subscriber organization to enter into a lease, a sale and
3 leaseback transaction, an operating agreement or any other arrange-
4 ment that the commission determines is acceptable, under the terms
5 of which the owner of a community solar garden operates the com-
6 munity solar garden on behalf of the subscriber organization; and

7 “(d) For the purpose of protecting the financial interests of sub-
8 scribers who belong to a subscriber organization that enters into an
9 arrangement described in paragraph (c) of this subsection, establish
10 limits for the terms by which the owner of a community solar garden
11 operates the community solar garden on behalf of the subscriber or-
12 ganization.

13 “(3) Each subscriber that belongs to a subscriber organization must
14 have at least one address to which the owner of the community solar
15 garden assigns a subscription. An address to which a subscription is
16 assigned must be located within the service territory of the electric
17 company that is procuring electricity from the community solar gar-
18 den.

19 “(4) A subscription assigned under subsection (3) of this section
20 must be for at least one-half kilowatt of the generating capacity of the
21 community solar garden.

22 “(5) A subscriber may change the address to which a subscription
23 is assigned under this section if:

24 “(a) The subscriber informs the owner of the community solar
25 garden of the change in address within a reasonable amount of time,
26 as determined by the commission by rule; and

27 “(b) The new address meets the requirements described in sub-
28 section (3) of this section.

29 “(6) A subscriber may transfer a subscription to:

30 “(a) The subscriber organization to which the subscriber belongs;

1 or

2 “(b) Another subscriber that belongs to the subscriber organization
3 to which the subscriber belongs.

4 “SECTION 4. Procurement of electricity generated by community
5 solar gardens. (1)(a) The Public Utility Commission shall establish by
6 rule or order:

7 “(A) The amount of electricity that each electric company must
8 procure from one or more community solar gardens; and

9 “(B) Production rates or processes by which the commission estab-
10 lishes production rates for the procurement of electricity generated
11 by community solar gardens.

12 “(b) The commission may modify the amount of electricity estab-
13 lished under this subsection at any time that the commission deter-
14 mines modification is necessary.

15 “(c) The commission may establish production rates or processes
16 under paragraph (a)(B) of this subsection in a manner that is con-
17 sistent with rates or processes established by the commission under
18 ORS 757.365.

19 “(2) On or before a biennial date prescribed by the commission by
20 rule or order, each electric company shall submit to the commission
21 a proposal for the procurement of electricity from one or more com-
22 munity solar gardens. The proposal must:

23 “(a) Be submitted in a form and manner prescribed by the com-
24 mission;

25 “(b) Provide a detailed explanation of how the electric company will
26 procure electricity in the amount required under subsection (1) of this
27 section;

28 “(c) In an amount prescribed by the commission by rule or order,
29 include the purchase of electricity from community solar gardens not
30 owned by the electric company that have a generating capacity of 500

1 kilowatts or less; and

2 “(d) Provide a detailed explanation of how the electric company’s
3 proposal will encourage:

4 “(A) Ownership of subscriptions by residential retail customers of
5 the electric company;

6 “(B) Development of community solar gardens that do not signif-
7 icantly increase the rates paid by retail electricity consumers; and

8 “(C) The successful financing of community solar gardens owned
9 by subscriber organizations established in accordance with section 3
10 of this 2015 Act.

11 “(3) An electric company may not procure electricity from a com-
12 munity solar garden unless:

13 “(a) The electric company owns the community solar garden or has
14 entered into an agreement with the owner of the community solar
15 garden to operate the community solar garden or oversee the admin-
16 istration of the community solar garden; or

17 “(b) The community solar garden is located within the service ter-
18 ritory of the electric company.

19 “(4) The commission shall determine whether a proposal submitted
20 under this section meets the requirements of this section and rules
21 adopted under or orders issued pursuant to this section. Upon making
22 a determination under this subsection, the commission shall approve
23 the proposal or require the electric company to amend and resubmit
24 the proposal.

25 “(5) Upon approval of a proposal submitted under this section, an
26 electric company may file for commission approval a tariff schedule
27 for costs associated with the procurement of electricity pursuant to
28 this section.

29 “(6) In accordance with the production rates established under
30 subsection (1)(a)(B) of this section, an electric company, upon approval

1 of a proposal submitted under this section and any tariff schedule filed
2 under this section, shall make monthly payments to each community
3 solar garden not owned by the electric company from which the elec-
4 tric company procures electricity pursuant to this section.

5 “(7) All prudently incurred costs associated with complying with
6 this section are recoverable in the rates of an electric company.

7 “(8) Ownership of renewable energy certificates established under
8 ORS 469A.130 that are associated with the procurement of electricity
9 from a community solar garden under this section must be transferred
10 to the electric company procuring the electricity and may be used to
11 comply with the renewable portfolio standard described in ORS
12 469A.052 or 469A.055.

13 “SECTION 5. Credit for electricity generated by a community solar
14 garden. (1)(a) For each billing period, an electric company shall credit
15 the account of a retail customer of the electric company if the account
16 is associated with an address to which the owner of a community solar
17 garden has assigned a subscription under section 3 of this 2015 Act.
18 The credit shall be calculated by offsetting that portion of a payment
19 received by the community solar garden from an electric company
20 pursuant to section 4 of this 2015 Act that is equivalent to the
21 subscriber’s subscription against the electric company’s retail rate for
22 the retail customer for the billing period, including any amount owed
23 pursuant to the imposition of a tariff. For purposes of this paragraph,
24 a retail rate must be calculated as an amount charged per kilowatt
25 hour.

26 “(b) An electric company may deduct from the amount of a credit
27 calculated under this subsection a fee that is reasonably calculated to
28 pay the cost of complying with this section.

29 “(2) Any amount credited to an account under subsection (1) of this
30 section in excess of the amount owed by the retail customer to the

1 electric company for the billing period must be carried forward and
2 credited to the account during subsequent billing periods, except that
3 for billing periods ending in March of each year, or on any other date
4 agreed to by the electric company and the retail customer, any re-
5 maining unused credit accumulated during the previous year must be
6 distributed by the electric company to customers enrolled in the elec-
7 tric company's low-income assistance programs.

8 “(3)(a) If the owner of a community solar garden is not an electric
9 company, the owner shall provide the electric company from which the
10 owner receives a payment pursuant to section 4 of this 2015 Act:

11 “(A) Data related to electricity generation by the community solar
12 garden that is required by the electric company to ensure the effective
13 operation of the electric company's electricity distribution system;

14 “(B) Every address to which the owner assigned a subscription un-
15 der section 3 of this 2015 Act;

16 “(C) The total amount of electricity generated by the community
17 solar garden;

18 “(D) For each subscriber, that portion of a payment received by the
19 community solar garden from the electric company pursuant to sec-
20 tion 4 of this 2015 Act that is equivalent to the subscriber's sub-
21 scription; and

22 “(E) Any amount of electricity generated by the community solar
23 garden for which a subscription has not been issued; and

24 “(b) Information provided under this subsection must be provided:

25 “(A) At least once each month on a day agreed to by the electric
26 company and the owner of the community solar garden; and

27 “(B) In a form and manner agreed to by the electric company and
28 the owner of the community solar garden.

29 **“SECTION 6. Rules.** The Public Utility Commission shall adopt
30 rules necessary to implement sections 1 to 6 of this 2015 Act.

1 **“SECTION 7. Operative date. (1) Sections 1 to 6 of this 2015 Act**
2 **become operative on January 1, 2016.**

3 **“(2) The Public Utility Commission may take any action before the**
4 **operative date specified in subsection (1) of this section that is neces-**
5 **sary to enable the commission to exercise, on and after the operative**
6 **date specified in subsection (1) of this section, all the duties, functions**
7 **and powers conferred on the commission by sections 1 to 6 of this 2015**
8 **Act.**

9 **“SECTION 8. Section captions. The section captions used in this**
10 **2015 Act are provided only for the convenience of the reader and do**
11 **not become part of the statutory law of this state or express any leg-**
12 **islative intent in the enactment of this 2015 Act.**

13 **“SECTION 9. Emergency clause. This 2015 Act being necessary for**
14 **the immediate preservation of the public peace, health and safety, an**
15 **emergency is declared to exist, and this 2015 Act takes effect on its**
16 **passage.”.**

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