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Versions are Considered Official***

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Date: 2/3/2016

Measure Description:

Directs Oregon Business Development Department to establish program to incentivize generation of electricity derived from solar energy.

Government Unit(s) Affected:

Business Development Department (Business Oregon), Department of Energy, Public Utility Commission (PUC)

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill, as amended, directs the Oregon Business Development Department (Business Oregon) to establish a program to incentivize the generation of electricity derived from solar energy. These systems must be directly connected to an investor-owned or publicly-owned utility. The equipment must have a nameplate capacity between two and ten megawatts. The program awards \$0.005 per kilowatt hour of solar power generated to qualified participants for five years. The acceptance of new program participants ends at the earlier of: the date on which all solar photovoltaic energy systems included in the program have a cumulative name plate capacity of 150 megawatts or January 2, 2017. The program sunsets on January 2, 2023.

Business Oregon estimates that it would require one full-time Operations & Policy Analyst 4 position to package applications, manage third party inspections, report metrics, review and recommend approval of monthly program payments and provide customer service. This position is estimated to cost \$138,278 GF for 0.58 FTE in the 2015-17 biennium and \$209,561 for 1.00 FTE in the 2017-19 biennium.

Further research is needed to determine if the program will require third-party consulting contracts to inspect and certify sites. Additionally, assumptions regarding monthly payments to solar photovoltaic energy systems will require further analysis.

Further Analysis Required