

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

Senate Committee on Business and Transportation

REVENUE: May have revenue impact, statement not yet issued**FISCAL: May have fiscal impact, statement not yet issued****SUBSEQUENT REFERRAL TO:****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Patrick Brennan, Administrator**Meeting Dates:** 2/3, 2/10

WHAT THE MEASURE DOES: Directs the Public Utility Commission to establish a program for the procurement of electricity from community solar projects. Establishes guidelines for program implementation and qualifications for community solar projects. Requires the Commission to report on implementation of the program to interim legislative committees related to business and energy on or before January 1, 2019

ISSUES DISCUSSED:

- Situations where community solar projects might be developed
- Already being done in other states
- Number of participants in, and output of, community solar projects
- Possible amendment related to hydropower and the renewable portfolio standard

EFFECT OF COMMITTEE AMENDMENT:

[-3 amendment] Adds “project manager” to definition of “owner” in section 1(1)(c). Modifies definition of “subscriber” to include those with an interest in part of a community solar project. Adds definition of “unsubscribed electricity”. Deletes specification that program must incentivize consumers that do not have the ability to install photovoltaic energy systems on their own property. Requires project manager in a power purchase agreement to be compensated. Deletes provisions related to making generating capacity available to low-income residential customers. Specifies that electricity procured by an electric company through a power purchase agreement in the measure may be used to comply with the renewable portfolio standard under ORS 469A.052.

[no fiscal impact, no revenue impact on measure with the -3 amendment]

[-5 amendment] Specifies that hydroelectric facilities and equipment and energy generated by hydroelectric facilities or equipment may be used to comply with the renewable portfolio standard. Specifies that electricity generated from hydrogen gas may be used to comply with the renewable portfolio standard if the hydrogen is derived from renewable sources.

BACKGROUND: Community renewable energy projects include those where community members pool their investments and benefits into renewable energy development. The term “community solar” refers to an arrangement where a solar-electric (photovoltaic) system is owned, in whole or in part, by community members who share either the energy itself or its monetary value on the market. A community solar model allows residents who do not own property amenable to photovoltaic infrastructure, such apartment owners or homeowners with shaded properties, to invest in such infrastructure.

Senate Bill 1572 directs the Public Utility Commission (PUC) to establish a program that creates incentives for residential and small commercial consumers of electricity, but who lack the ability to install photovoltaic systems on their own property, to be owners or subscribers in a community solar project. The measure also includes provisions for making electricity generated from such systems available to low-income residential consumers.

2/9/2016 2:04:00 PM *

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