

Requested by Senator BEYER

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4036**

1 On page 14 of the printed bill, delete lines 17 through 45.

2 On page 15, delete lines 1 through 36 and insert:

3 **“SECTION 19. (1) For purposes of this section:**

4 **“(a) ‘Community solar project’ means one or more solar**  
5 **photovoltaic energy systems that provide owners and subscribers the**  
6 **opportunity to share the costs and benefits associated with the gener-**  
7 **ation of electricity by the solar photovoltaic energy systems.**

8 **“(b) ‘Electric company’ has the meaning given that term in ORS**  
9 **757.600.**

10 **“(c) ‘Owner’ means a customer of an electric company or a project**  
11 **manager that has proportionate ownership of part of a community**  
12 **solar project, such as direct ownership of one or more solar panels or**  
13 **shared ownership of the infrastructure of the community solar project.**

14 **“(d) ‘Project manager’ means the entity identified as having re-**  
15 **sponsibility for owning or for managing the operation of a community**  
16 **solar project and, if applicable, for maintaining contact with the elec-**  
17 **tric company that procures electricity from the community solar**  
18 **project. A project manager may be:**

19 **“(A) An electric company; or**

20 **“(B) An independent third party.**

21 **“(e) ‘Solar photovoltaic energy system’ means equipment and de-**

1 vices that have the primary purpose of collecting solar energy and  
2 generating electricity by photovoltaic effect.

3 “(f) ‘Subscriber’ means a customer of an electric company who  
4 proportionately leases or has an interest in part of a community solar  
5 project for a minimum term established by the Public Utility Com-  
6 mission by rule.

7 “(g) ‘Unsubscribed electricity’ means any electricity generated by  
8 a community solar project that is not allocated to a subscriber or an  
9 owner.

10 “(2)(a) The commission shall establish by rule a program for the  
11 procurement of electricity from community solar projects. As part of  
12 the program, the commission shall:

13 “(A) Adopt rules prescribing what qualifies a community solar  
14 project to participate in the program;

15 “(B) Certify qualified community solar projects for participation in  
16 the program;

17 “(C) Prescribe the form and manner by which project managers  
18 may apply for certification under the program; and

19 “(D) Require, by rule or order, electric companies to enter into a  
20 20-year power purchase agreement with a certified community solar  
21 project.

22 “(b) The commission shall adopt rules under paragraph (a)(A) of  
23 this subsection that, at a minimum:

24 “(A) Incentivize consumers of electricity to be owners or subscrib-  
25 ers;

26 “(B) Minimize the shifting of costs from the program to ratepayers  
27 who do not own or subscribe to a community solar project;

28 “(C) Where an electric company is the project manager, protect  
29 owners and subscribers from undue financial hardship; and

30 “(D) Protect the public interest.

1       **“(3) A community solar project:**

2       **“(a) Must have at least one solar photovoltaic energy system with**  
3 **a minimum generating capacity of 25 kilowatts;**

4       **“(b) Must be located in this state; and**

5       **“(c) May be located anywhere in this state.**

6       **“(4) A project manager may offer ownership in or subscriptions to**  
7 **a community solar project only to consumers of electricity that are**  
8 **located:**

9       **“(a) In this state; and**

10       **“(b) In the service territory of an electric company.**

11       **“(5)(a) A project manager may offer proportional ownership in or**  
12 **proportional subscriptions to a community solar project in any**  
13 **amount that does not exceed a potential owner’s or potential**  
14 **subscriber’s average annual consumption of electricity.**

15       **“(b) Any value associated with the generation of electricity in ex-**  
16 **cess of an offer to own or subscribe to a community solar project as**  
17 **limited by paragraph (a) of this subsection must be used by the electric**  
18 **company procuring electricity from the community solar project in**  
19 **support of low-income residential customers of the electric company.**

20       **“(c) A project manager must be compensated by an electric com-**  
21 **pany with whom the project manager has entered into a power pur-**  
22 **chase agreement pursuant to subsection (2)(a)(D) of this section for**  
23 **any unsubscribed electricity generated by a community solar project**  
24 **at a rate established by the commission.**

25       **“(6)(a) Except as provided in paragraph (b) of this subsection, an**  
26 **electric company shall credit an owner’s or subscriber’s electric bill**  
27 **for the amount of electricity generated by a community solar project**  
28 **for the owner or subscriber in a manner that reflects the resource**  
29 **value of solar energy. For purposes of this paragraph, the commission**  
30 **shall determine the resource value of solar energy.**

1       **“(b) The commission may adopt a rate for an electric company to**  
2 **use in crediting a subscriber’s electric bill other than the rate de-**  
3 **scribed in paragraph (a) of this subsection if the commission has good**  
4 **cause to adopt the different rate.**

5       **“(7)(a) Except as otherwise provided for in this section, owners and**  
6 **subscribers shall bear the costs and benefits of constructing and op-**  
7 **erating a community solar project.**

8       **“(b) Costs incurred by an electric company under the terms of a**  
9 **power purchase agreement entered into pursuant to subsection**  
10 **(2)(a)(D) of this section are recoverable in the rates of the electric**  
11 **company. Moneys collected pursuant to imposing those rates, under**  
12 **the terms of a power purchase agreement entered into pursuant to**  
13 **subsection (2)(a)(D) of this section, may be transferred to a project**  
14 **manager for the purpose of operating a community solar project.**

15       **“(c) All start-up costs prudently incurred during the development**  
16 **or modification of the program established under this section are re-**  
17 **coverable in the rates of an electric company.**

18       **“(d) Owners and subscribers shall bear all ongoing costs incurred**  
19 **by a project manager during the continued administration of the pro-**  
20 **gram established under this section.**

21       **“(8) Owners and subscribers own all renewable energy certificates**  
22 **established under ORS 469A.130 that are associated with the generation**  
23 **of electricity by a community solar project, in proportion to the**  
24 **owner’s proportional ownership in or the subscriber’s proportional**  
25 **subscription to the community solar project.**

26       **“(9) All electricity procured by an electric company pursuant to a**  
27 **power purchase agreement entered into pursuant to subsection**  
28 **(2)(a)(D) of this section may be used to comply with the renewable**  
29 **portfolio standard described in ORS 469A.052.**

30       **SECTION 20. On or before January 1, 2019, the Public Utility**

1 **Commission shall report on the implementation of section 19 of this**  
2 **2016 Act to the interim committees of the Legislative Assembly related**  
3 **to business and energy. As part of the report, the commission may**  
4 **make recommendations for legislation. The commission shall submit**  
5 **the report in the manner required by ORS 192.245.”.**

6 In line 41, delete “22” and insert “21”.

7 In line 42, delete “23” and insert “22”.

8 On page 16, line 11, delete “24” and insert “23”.

9 On page 17, line 3, delete “25” and insert “24”.

10 In line 6, delete “26” and insert “25”.

11 In line 9, delete “27” and insert “26”.

12 In line 12, delete “28” and insert “27”.

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