

Requested by HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT

**PROPOSED AMENDMENTS TO
HOUSE BILL 4036**

1 On page 2 of the printed bill, line 14, delete “all” and insert “the”.

2 In line 21, after “decommissioning” insert “or remediation”.

3 On page 4, line 39, delete “by” and insert “from”.

4 Delete lines 40 and 41 and insert “a renewable energy source that becomes
5 operational on or before the effective date of this 2016 Act, or for”.

6 In line 43, delete “by” and insert “from”.

7 On page 5, line 7, delete the first “by” and insert “from” and after
8 “that” delete the rest of the line and line 8 and insert “becomes operational
9 between”.

10 In line 11, delete “by” and insert “from”.

11 In line 18, delete the first “by” and insert “from” and after “that” delete
12 the rest of the line and line 19 and insert “becomes operational between”.

13 In line 22, delete “by” and insert “from”.

14 In line 31, delete “by” and insert “from”.

15 On page 7, after line 41, insert:

16 **“SECTION 6a. For purposes of ORS 469A.055 (5) and 469A.060 (3)(b),
17 ‘acquires service territory’ does not include an acquisition by a city
18 of a facility, plant, equipment or service territory within the bounda-
19 ries of the city pursuant to ORS 225.020 or city charter, if the city:**

20 **“(1) Already owns, controls or operates an electric light and power
21 system for supplying electricity to the inhabitants of the city or for**

1 **general municipal purposes;**

2 **“(2) Provides fair, just and reasonable compensation to the electric**
3 **company whose territory is acquired that:**

4 **“(a) Gives consideration for the cost of the facility, plant, equip-**
5 **ment or service territory acquired, and for depreciation, fair market**
6 **value, reproduction cost and any other relevant factor; and**

7 **“(b) Is based on the present value of the facility, plant, equipment**
8 **or service territory acquired, including the value of poles, wires,**
9 **transformers and similar and related appliances necessarily required**
10 **to provide electric service; and**

11 **“(3) Pays any stranded costs obligation established pursuant to**
12 **section 14 of this 2016 Act.”.**

13 On page 8, line 16, delete “for” and insert “with”.

14 In line 17, delete “acquired” and insert “associated”.

15 In line 34, delete “acquired for” and insert “associated with”.

16 In line 38, delete “acquired for” and insert “associated with”.

17 On page 9, lines 7 and 8, delete the boldfaced material.

18 On page 10, line 35, delete “made in a form and manner pre-”.

19 In line 36, delete “scribed by the Public Utility Commission, the commis-

20 sion” and insert “the Public Utility Commission”.

21 On page 11, line 11, after “(2)” insert “Upon the request of an electric

22 company,”.

23 On page 12, line 6, after “may” insert “annually”.

24 In line 18, delete “quality” and insert “benefits”.

25 In line 22, delete “quality” and insert “benefits”.

26 Delete lines 23 through 27 and insert:

27 **“(3) For the purpose of ensuring prudent investments by an electric com-**
28 **pany in energy efficiency and demand response before the electric company**
29 **acquires new generating resources, and in order to produce cost-effective**
30 **energy savings, reduce customer demand for energy, reduce system costs,**

1 increase the public health and safety and improve environmental benefits,
2 each electric company serving customers in this state shall.”.

3 On page 13, line 23, delete the comma.

4 In line 24, delete “in a form and manner prescribed by the commission,”.

5 On page 14, line 15, delete “Projects” and insert “Programs”.

6 Delete lines 17 through 45.

7 On page 15, delete lines 1 through 31 and insert:

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

9 **“(a) ‘Community solar program’ means a program by which an**
10 **electric company procures electricity from community solar projects.**

11 **“(b) ‘Community solar project’ has the meaning given that term by**
12 **the Public Utility Commission by rule.**

13 **“(c) ‘Electric company’ has the meaning given that term in ORS**
14 **757.600.**

15 **“(2) The Public Utility Commission shall establish by rule a plan for**
16 **the implementation of community solar programs by electric compa-**
17 **nies. As part of the plan, the commission shall establish a community**
18 **solar program capacity cap for each electric company. The initial**
19 **community solar program capacity cap for each electric company**
20 **must be based on the 2015 peak load of the electric company. The**
21 **commission biennially may adjust the community solar program ca-**
22 **capacity cap for each electric company.**

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

24 **“(a) Must have a generating capacity between 25 kilowatts and 2**
25 **megawatts;**

26 **“(b) May be owned by any person;**

27 **“(c) Must be located in this state; and**

28 **“(d) May be located anywhere in this state.**

29 **“(4) The owner or operator of a community solar project may offer**
30 **subscriptions for the generation of electricity only to residential and**

1 **small commercial consumers of electricity.**

2 **“(5)(a) The owner or operator of a community solar project may**
3 **offer individual subscriptions for the generation of electricity, as de-**
4 **scribed in subsection (4) of this section, in any amount that does not**
5 **exceed the subscriber’s average annual load.**

6 **“(b) At least annually, an electric company shall distribute to the**
7 **low-income residential customers of the electric company, as part of**
8 **any low-income assistance program administered by the electric com-**
9 **pany, any credit to an electric bill as provided for in subsection (6) of**
10 **this section in excess of the subscriber’s average annual load.**

11 **“(6)(a) Except as provided in paragraph (b) of this subsection, an**
12 **electric company shall credit a subscriber’s electric bill for the amount**
13 **of electricity generated by a community solar project for the sub-**
14 **scriber in an amount that equals the resource value of solar. For**
15 **purposes of this paragraph, the commission shall determine the re-**
16 **source value of solar.**

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

21 **“(7)(a) The costs, risks and benefits of a community solar project**
22 **shall be borne by the owner, operator or developer of the community**
23 **solar project and by subscribers to the community solar project.**

24 **“(b) All start-up costs prudently incurred by an electric company**
25 **during the development of a community solar program are recoverable**
26 **in the rates of an electric company and are payable by all ratepayers**
27 **of the electric company.**

28 **“(c) All ongoing costs incurred during the continued administration**
29 **of a community solar program must be borne by the owner or operator**
30 **of the community solar project and by subscribers to the community**

1 solar project.

2 “(8) A subscriber to a community solar project owns all renewable
3 energy certificates provided for in the system established under ORS
4 469A.130 that are associated with the electricity generated by the
5 community solar project, in proportion to the subscriber’s sub-
6 scription.

7 “(9) As part of the community solar program established under this
8 section, the commission shall:

9 “(a) Identify low-income residential customers of electricity;

10 “(b) Determine a methodology by which 15 percent of the total
11 generating capacity of the community solar projects operated under
12 the program will be made available for use by low-income residential
13 customers of electricity; and

14 “(c) Periodically review and adjust the percentage described in par-
15 agraph (b) of this subsection.

16 “SECTION 20. Subject to the provisions of section 19 of this 2016
17 Act, in establishing by rule the plan for the implementation of a
18 community solar program by each electric company under section 19
19 of this 2016 Act, the Public Utility Commission shall adopt rules that
20 are consistent with the preferred attributes for the design of commu-
21 nity solar programs as recommended by the commission to the Legis-
22 lative Assembly on October 26, 2015.”.

23 In line 32, delete “January” and insert “July”.

24 On page 17, line 4, after “may” insert “annually”.

25 After line 8, insert:

26 “SECTION 27. The Public Utility Commission shall establish by rule
27 the plan for the implementation of community solar programs by
28 electric companies required by section 19 of this 2016 Act on or before
29 July 1, 2017.”.

30 In line 9, delete “27” and insert “28”.

1 In line 12, delete “28” and insert “29”.

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