

SB 175 STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

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Sub-Referral To: Joint Committee On Tax Credits

Meeting Dates: 2/9

WHAT THE MEASURE DOES:

Extends the sunset for tax credits for renewable energy developments until January 1, 2024.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

The Legislature created the Renewable Energy Development (RED) grant program in 2011 to promote investment in and development of renewable energy projects. The Oregon Department of Energy (ODOE) administers the program and solicits grant applications for renewable energy projects. Grants cover 35 percent of the cost of the project (not to exceed \$250,000) and businesses, public bodies, schools, non-profits and tribes are eligible to apply. Grant funds are not disbursed until projects are completed and operating and ODOE has provided final approval. As of May, 2016, approximately \$365,000 in RED grants had funded 14 projects with a total nameplate capacity of 522 kW, and ODOE had awarded performance agreements for 35 further projects yet to be completed. Approximately \$2.8 million in grant funds have been allocated to projects waiting for completion and approval.

Senate Bill 175 would extend the sunset for RED tax credits until January 1, 2024.