



March 28, 2019

House Committee on Energy and the Environment
Chair Ken Helm
900 Court St. NE
Salem, OR 97301

Dear Chair Helm, Vice-Chairs Schouten and Reschke, and members of the committee,

The Oregon Solar Energy Industries Association (OSEIA) is a trade association founded in 1981 to promote clean, renewable, solar technologies. OSEIA members include businesses, non-profit groups, and other solar industry stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar value chain; from workforce development to permitting, advocacy, policy, and regulation for manufacturing, residential, commercial, community, and utility scale solar projects on the local, state and regional level.

OSEIA supports the underlying issue that HB 2855 seeks to address. The Oregon Public Utility Commission's (PUC) mission is: "To ensure Oregon utility customers have access to safe, reliable and high-quality utility services at just and reasonable rates. This is done through robust and thorough analysis and independent decision-making conducted in an open and fair process." The PUC has done an excellent job fulfilling this mission. However, the mission is too narrow to fully serve Oregon customers. HB 2855 is a good first step in seeking to expand the PUC's mission in order to better serve ratepayers.

Other state PUCs already have expanded missions that include similar policies to those laid out in HB 2855. Only when the PUC is allowed to account for carbon reduction and social and environmental benefits can the PUC more appropriately regulate utilities. For example, there are many additional benefits to solar power than simply providing safe, reliable and high-quality electricity at reasonable rates. Solar and other renewables provide carbon reduction, air pollution reduction, and local jobs, unlike some other forms of electricity consumed in Oregon. If the PUC were able to take these other benefits into account we would most likely have different regulations and ones that were more aligned with the state's climate and energy goals.

One concrete example where the current PUC mission has fallen short is in the recent "Resource Value of Solar" rulemaking. When creating a methodology for calculating the value of solar to be used in the Community Solar program, the PUC was not allowed to include calculations for other benefits from solar, such as the reduction of air toxics and carbon pollution and the increase in community resiliency. This meant that the value for these community solar projects will most likely be lower than the retail



value of electricity bought on the market. Consider that – because of the PUC’s restricted mission, locally built Oregon solar projects are valued less than electricity generated from coal, being shipped in from out-of-state. And this value is for a program designed specifically to benefit local communities!

OSEIA urges this committee to seriously consider this important issue which has far reaching impacts for Oregon’s ability to reach its climate goals and to appropriately regulate all forms of electricity generation.

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