

SB 38 STAFF MEASURE SUMMARY

Carrier: Sen. Prozanski

Senate Committee On Environment and Natural Resources

Action Date: 01/29/19

Action: Do pass.

Vote: 5-0-0-0

Yeas: 5 - Bentz, Dembrow, Olsen, Prozanski, Roblan

Fiscal: No fiscal impact

Revenue: No revenue impact

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Meeting Dates: 1/22, 1/29

WHAT THE MEASURE DOES:

Clarifies that renewable energy certificates (RECs) may be issued for the generation of thermal energy at a facility that generates electricity using biomass subject to the same requirements as all other RECs for issuance, transfer, and use. Specifies that these RECs may be used to comply with the renewable portfolio standard if the facility meets specified statutory requirements for the electricity generated using biomass at the facility and if the thermal energy is not generated through the combustion of wood treated with specified chemical preservatives.

ISSUES DISCUSSED:

- History of renewable energy certificate (REC) statutes and rulemaking
- Number of applications received to date for certification of eligibility to generate thermal RECs

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Renewable Portfolio Standard (RPS) directs Oregon utilities to source a defined percentage of their retail electricity sales with generation from qualified renewable resources by specific dates. ORS 469A.130 requires the Oregon Department of Energy (ODOE) to establish a system of renewable energy certificates (RECs) that can be used by an electric utility or service supplier to establish compliance with the applicable RPS. If a facility that produces electricity using biomass also produces thermal energy as a secondary purpose, ODOE must provide renewable energy certificates for the generation of thermal energy.

Senate Bill 38 would establish that RECs issued for the generation of thermal energy at a facility that generates electricity using biomass are subject to the same requirements for issuance, transfer, and use as all other renewable energy RECs issued under ORS 469A.130.