

Requested by Representative BONHAM

**PROPOSED AMENDMENTS TO
HOUSE BILL 3407**

1 On page 1 of the printed bill, delete lines 7 through 30 and insert:

2 **“SECTION 2. (1) An electric company that is subject to a renewable**
3 **portfolio standard may, consistent with ORS 758.505 to 758.555, offer**
4 **to purchase qualifying electricity generated by a hydroelectric facility**
5 **that is a small power production facility as defined in ORS 758.505 and**
6 **has been certified as a low-impact hydroelectric facility by the na-**
7 **tional certification organization recognized by the State Department**
8 **of Energy by a rule adopted under ORS 469A.020, if the hydroelectric**
9 **facility is owned by:**

10 **“(a) A domestic water supply district organized under ORS chapter**
11 **264;**

12 **“(b) An irrigation district organized under ORS chapter 545;**

13 **“(c) A drainage district organized under ORS chapter 547;**

14 **“(d) A diking district organized under ORS chapter 551;**

15 **“(e) A water improvement district organized under ORS chapter 552;**

16 **“(f) A water control district organized under ORS chapter 553; or**

17 **“(g) A district improvement company or corporation organized un-**
18 **der ORS chapter 554.**

19 **“(2) An electric company that purchases electricity under sub-**
20 **section (1) of this section shall enter into a power purchase agreement**
21 **with the owner of a hydroelectric facility under the following terms:**

1 **“(a) The term of the power purchase agreement must be 20 years;**
2 **“(b) The price for the electricity must:**
3 **“(A) Include value for both the energy and the capacity provided**
4 **by the hydroelectric facility; and**
5 **“(B) Be set at the avoided cost price for energy and capacity most**
6 **recently approved by the Public Utility Commission for the applicable**
7 **hydroelectric resources under ORS 758.525; and**
8 **“(c) The price described in paragraph (b) of this subsection must**
9 **apply for the full term of the power purchase agreement, irrespective**
10 **of the electric company’s resource sufficiency position.**
11 **“(3) Costs associated with acquiring energy and capacity under this**
12 **section are prudently incurred costs that may be recovered under ORS**
13 **469A.120.”.**
14
