

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: HB 3221 - 1

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: April 6, 2021

Measure Description:

Establishes the Oregon Renewable Options Program.

Government Unit(s) Affected:

Cities, Counties, Special Districts, Confederated Tribes of Siletz, Confederated Tribes of Grand Ronde, Confederated Tribes of Warm Springs and Coquille Indian Tribe, Public Utility Commission (PUC)

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the House Committee on Water to the Joint Committee on Ways and Means.

House Bill 3221, as amended by the -1 amendments, allows the Public Utility Commission (PUC) to authorize qualified utilities to provide local governments, service districts, and tribal governments, through the Oregon Renewable Options Program (OROP), opportunities to have greater choice over the renewable energy that powers and increases resilience of their communities. It requires that each participating community utilize a public engagement process to solicit feedback from and address the needs of participating customers, especially those who are disadvantaged, climate vulnerable, or energy burdened. The measure establishes a process for the development, approval, and implementation of OROP. It limits cumulative generating capacity of small renewable energy projects included in a proposal to at least five megawatts or five percent of the cumulative generating capacity requested. PUC may open an investigation into whether compliance with OROP is compromising the reliability of the electric system and may prescribe steps to remedy the reliability issues. PUC will set rates to be charged to customers of qualified electric utilities and review and adjust rates as necessary, given changes in customer enrollment or changes in resource costs. The measure directs PUC to adopt rules and authorizes PUC to take action before the measure’s operative date. The measure takes effect 91 days after adjournment *sine die* and becomes operative on January 1, 2023.

The measure is anticipated to have an impact on Cities, Counties, Special Districts, Confederated Tribes of Siletz, Confederated Tribes of Grand Ronde, Confederated Tribes of Warm Springs and Coquille Indian Tribe, and the Public Utility Commission.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

Further Analysis Required