

## **House Bill 2021A: 100% Clean Energy Section-By-Section Bill Summary**

### **Section 1: Definitions**

- Regulated parties include electric investor-owned utilities (PGE and PacifiCorp) and electric service suppliers; consumer-owned utilities (who rely primarily on BPA-supplied power) are not regulated by this policy.
- Non-emitting power is defined to be technology-neutral and includes renewable and greenhouse gas-free sources like existing hydropower and new and existing wind, solar, storage, energy efficiency, and demand response.

### **Sections 2-3: Clean Energy Targets**

- Requires investor-owned utilities (“electric companies”) and energy service suppliers to serve Oregon electricity customers with 100% non-emitting clean energy by 2040.
- Establishes clean energy targets along the way to replace current reliance on fossil fuel sources such as coal and natural gas with cleaner alternatives like wind and solar. To achieve this, regulated parties shall reduce the greenhouse gases (GHG) associated with their electricity by:
  - 80% by 2030;
  - 90% by 2035;
  - 100% by 2040, and every subsequent year.

### **Sections 4-5: Clean Energy Plans; Agencies’ Roles**

- Requires electric companies to develop and file clean energy plans for meeting clean energy targets every 2 years.
- Clean energy plans include annual goals and continual progress toward reducing GHG emissions, including acquisition of renewables and other non-emitting generation, etc.
- Clean energy plans provide risk-based examination of resiliency opportunities (based on new resiliency standards to be developed by PUC), as well as costs and opportunities to offset current fossil fuel generation with community-based renewables.
- Electricity service suppliers subject to comparable but tailored treatment of emissions targets, compliance requirements, reliability safety valve, and cost cap to accommodate structural differences with electric companies.
- PUC role: regulator of new clean energy requirements; ensure ongoing compliance
  - Clean energy plans are submitted to the PUC and sync with existing integrated resource plan (IRP) filings by the utilities every 2 years.
  - PUC acknowledges the clean energy plan if it meets GHG reductions, reliability, resiliency of the system, costs, technical feasibility, and other factors.
- DEQ role: provide GHG data to set clean energy targets; verify utilities have met clean energy targets using DEQ’s existing GHG reporting systems

### **Section 6: Utility Community Benefits and Impacts Advisory Group**

- Stakeholders representing environmental justice and low-income ratepayers engage on development and equitable implementation of clean energy plan and other practices to improve equity, resilience and reduce energy burden of electric system.
- Biennial report filed by utilities assessing community benefits and impacts of utility

### **Sections 7-17: Reliability Pause, Cost Cap, Other Considerations for Compliance**

- PUC can grant temporary exemption from compliance to maintain system reliability or to meet demand if unforeseen resource variability was why utility exceeded target.
- Sets cost cap of 6% annual revenue requirement for investments and compliance with clean energy plan and existing Renewable Portfolio Standard (RPS)
  - Existing 50% RPS by 2040 law otherwise unchanged
- PUC can create performance incentive for early compliance with clean energy targets
- Electricity market rules should be coordinated to sync with other states in the region
- Idaho Power is exempted from complying with the clean energy targets/requirements.

### **Sections 18-19: Study on Small-Scale Renewable Energy Projects**

- Dept. of Energy (ODOE) will study ways to encourage development of small scale and community-based renewable energy projects for economic development and resiliency.

### **Sections 20-25: Community Green Tariffs**

- Enables local jurisdictions to partner with electric utility to develop green tariff of 100% clean energy product for their residents faster than statewide 100% clean energy target.
- Customers within a participating city can opt-out of participation in community green tariff

### **Sections 26-27: Responsible Contractor Labor Provisions**

- For renewable and storage projects over 10 megawatts (MW), responsible contractor and labor standards apply to ensure fair wages and good health and retirement benefits.
- For projects over 2 MW (and community solar projects over 3 MW), the bill encourages project labor agreements, utilizing apprenticeship programs for 15% of work hours, and aims for 15% of work hours be performed by BIPOC, women, veterans, or people with disabilities.

### **Section 28: No New Siting of Natural Gas Plants in Oregon**

- Energy Facility Siting Council (EFSC) will not issue a site certificate for new fossil gas plants (or other fossil fuels), nor substantive expansion of existing fossil gas plants.

### **Sections 29-35: Community Renewables Investment Fund**

- Establishes \$50M Community Renewables Investment Fund.

- ODOE distributes grants for community renewable energy projects that are 20 MW or less in size around Oregon (outside Portland) with advisory committee oversight/ input.

### **Section 36: Community-Based Renewable Energy**

- Increases the existing small-scale renewable energy project requirement in Oregon's RPS from requiring 8% aggregate electrical capacity by 2025 to 10% by 2030.