HB 2021-18
(LC 3683)
4/9/21 (DJ/cpa/ps)

Requested by Representative SMITH DB

PROPOSED AMENDMENTS TO
HOUSE BILL 2021

In line 2 of the printed bill, after the semicolon delete the rest of the line and insert "creating new provisions; and amending ORS 469A.052.".

Delete lines 4 through 11 and insert:

"SECTION 1. ORS 469A.052 is amended to read:

"469A.052. (1) The large utility renewable portfolio standard imposes the following requirements on an electric utility that makes sales of electricity to retail electricity consumers in an amount that equals three percent or more of all electricity sold to retail electricity consumers:

"(a) At least five percent of the electricity sold by the electric utility to retail electricity consumers in each of the calendar years 2011, 2012, 2013 and 2014 must be qualifying electricity;

"(b) At least 15 percent of the electricity sold by the electric utility to retail electricity consumers in each of the calendar years 2015, 2016, 2017, 2018 and 2019 must be qualifying electricity;

"(c) At least 20 percent of the electricity sold by the electric utility to retail electricity consumers in each of the calendar years 2020, 2021, 2022[,] **and** 2023 [*and 2024*] must be qualifying electricity;

"**(d) At least 20 percent of the electricity sold by a consumer-owned utility to retail electricity consumers in the calendar year 2024 must be qualifying electricity;**

"(e) At least 25 percent of the electricity sold by an electric com-

pany to retail electricity consumers in the calendar year 2024 must be qualifying electricity;

"[*(d)*] **(f)** At least 25 percent of the electricity sold by a consumer-owned utility to retail electricity consumers in the calendar year 2025 and subsequent calendar years must be qualifying electricity;

"[*(e) At least 27 percent of the electricity sold by an electric company to retail electricity consumers in each of the calendar years 2025, 2026, 2027, 2028 and 2029 must be qualifying electricity;*]

"[*(f) At least 35 percent of the electricity sold by an electric company to retail electricity consumers in each of the calendar years 2030, 2031, 2032, 2033 and 2034 must be qualifying electricity;*]

"[*(g) At least 45 percent of the electricity sold by an electric company to retail electricity consumers in each of the calendar years 2035, 2036, 2037, 2038 and 2039 must be qualifying electricity; and*]

"[*(h) At least 50 percent of the electricity sold by an electric company to retail electricity consumers in the calendar year 2040 and subsequent calendar years must be qualifying electricity.*]

"**(g) In 2025 and in each following calendar year before 2031, the share of qualifying electricity sold by an electric company to retail electricity consumers must increase by a constant amount such that, by 2030, at least 50 percent of electricity sold by the electric company to retail electricity consumers is qualifying electricity; and**

"(h) In 2031 and each following calendar year before 2036, the share of qualifying electricity sold by an electric company to retail electricity consumers must increase by a constant amount such that, in 2035 and subsequent calendar years, 70 percent of electricity sold by the electric company to retail electricity consumers is qualifying electricity.

"(2) If, on June 6, 2007, an electric utility makes sales of electricity to retail electricity consumers in an amount that equals less than three percent

of all electricity sold to retail electricity consumers, but in any three consecutive calendar years thereafter makes sales of electricity to retail electricity consumers in amounts that average three percent or more of all electricity sold to retail electricity consumers, the electric utility is subject to the renewable portfolio standard described in subsection (3) of this section. The electric utility becomes subject to the renewable portfolio standard described in subsection (3) of this section in the calendar year following the three-year period during which the electric utility makes sales of electricity to retail electricity consumers in amounts that average three percent or more of all electricity sold to retail electricity consumers.

"(3) An electric utility described in subsection (2) of this section must comply with the following renewable portfolio standard:

"(a) Beginning in the fourth calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least five percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity;

"(b) Beginning in the 10th calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 15 percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity;

"(c) Beginning in the 15th calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 20 percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity; and

"(d) Beginning in the 20th calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 25 percent of the electricity sold by the

electric utility to retail electricity consumers in a calendar year must be qualifying electricity.

"SECTION 2. Section 3 of this 2021 Act is added to and made a part of ORS 469A.005 to 469A.210.

"SECTION 3. (1) As used in this section, 'renewable energy certificates' means bundled renewable energy certificates and unbundled renewable energy certificates.

"(2)(a) The Legislative Assembly declares that the State of Oregon has a substantial state interest in:

"(A) Creating a more resilient supply of electricity used to serve retail electricity consumers; and

"(B) Ensuring that efforts to reduce the greenhouse gas emissions attributable to this state provide direct environmental benefits in this state.

"(b) The Legislative Assembly further finds and declares that:

"(A) Locating low-emissions and no-emissions electricity generating and storage facilities close to retail electricity consumers served with the electricity generated or stored by those facilities:

"(i) Increases resilience without causing the harmful side effects of emissions emitted from electricity generating facilities;

"(ii) Reduces the costs and delays associated with constructing additional transmission capacity to connect remote electricity generating and storage facilities; and

"(iii) Reduces the wildfire-related resiliency risks to the electricity grid that increase with the remoteness of electricity generating and storage facilities; and

"(B) Replacing electricity generating facilities that utilize petroleum, natural gas or coal as an energy source with electricity generating and storage facilities that utilize renewable energy sources can result in the reduction or avoidance of emissions of air contaminants

other than greenhouse gases and can provide particular benefits to historically disadvantaged communities that have been traditionally and disproportionately burdened with the health, financial and other adverse impacts associated with air contaminants other than greenhouse gases emitted from electricity generating facilities and other waste products from power generation.

"(3) In pursuit of the substantial state interests set forth in subsection (2)(a) of this section and in addition to the requirements of ORS 469A.135:

"(a) Out of the renewable energy certificates used by an electric utility to meet the renewable portfolio standard applicable to that electric utility in a compliance year, 50 percent of the renewable energy certificates that were issued for electricity generated by a facility constructed on or after the effective date of this 2021 Act must be for electricity generated by a facility that provides direct energy resiliency or environmental benefits in this state; and

"(b) Out of the electricity available to an electric utility from an electricity storage facility and used by the electric utility to offset the renewable portfolio standard in a compliance year, 50 percent of the stored electricity must be from an electricity storage facility constructed on or after the effective date of this 2021 Act that provides direct energy resiliency or environmental benefits in this state.

"(4) For the purposes of this section, an electricity generating or storage facility provides direct energy resiliency or environmental benefits in this state if the facility:

"(a) Provides direct local resiliency benefits to retail electricity consumers through one or more of the following:

"(A) Increased reliability in parts of this state that typically experience more frequent or longer service disruptions or that are more likely to be impacted by a catastrophic event;

"(B) Greater penetration of electricity generating and storage resources in remote communities;

"(C) Reduced exposure to the costs of service disruptions;

"(D) Modernization to the electrical grid in this state;

"(E) Reduced reliance on long-distance transmission;

"(F) Investment in communities and households in this state that are least able to afford technologies that improve the reliability of electricity service; or

"(G) Other local resiliency augmenting benefits for retail electricity consumers as may be identified by rule by the State Department of Energy, in consultation with the Public Utility Commission;

"(b) Contributes to a reduction in or avoidance of emissions of any air contaminant or water contaminant in this state other than a greenhouse gas; or

"(c) Contributes to an improvement in the health of natural and working lands in this state.

"(5) There is a rebuttable presumption that an electricity generating or storage facility provides direct energy resiliency or environmental benefits in this state for purposes of this section if the facility:

"(a) Is directly interconnected in this state to the electrical grid of an electric utility serving retail electricity consumers;

"(b) Is directly interconnected to the Bonneville Power Administration contiguous transmission grid serving this state;

"(c) Is used to comply with the requirements of ORS 469A.210;

"(d) Is a community solar project from which electricity is procured pursuant to the program adopted under ORS 757.386;

"(e) Is a solar energy resource connected behind the meter of a retail electricity consumer that includes battery storage capable of providing temporary electric power in the event of a power outage; or

"(f) Relies on transmission facilities to transmit electricity for no

more than 50 miles to reach the contiguous border of this state from an adjoining state in order to serve retail electricity consumers.

"SECTION 4. (1) The Public Utility Commission may not cause to delay, due to the pendency of any rulemaking or other proceeding necessary to implement one or more provisions of section 3 of this 2021 Act, any procurement or request for proposals that will result in the procurement by an electric utility of electricity from a facility that meets the statutory criteria set forth is section 3 (5) of this 2021 Act.

"(2) The enactment of section 3 of this 2021 Act is not intended to modify, delay or alter the timeline for any procurement or request for proposals initiated on, before or after the effective date of this 2021 Act for which rulemaking is not necessary to determine whether the procurement or request for proposals will count toward compliance by an electric utility with section 2 of this 2021 Act.".