

DRAFT

SUMMARY

Digest: Makes the PUC take certain actions to support microgrids. (Flesch Readability Score: 66.1).

Requires the Public Utility Commission to take certain actions to support the operations of microgrids and community microgrids.

Requires the Department of Consumer and Business Services to adopt rules that support the integration of buildings with community microgrids.

Allows local governments to adopt land use regulations that correspond to microgrid zones and designate a geographical area as a microgrid zone, subject to the approval of the commission.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to microgrids; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. Section 2 of this 2025 Act is added to and made a part**
5 **of ORS chapter 757.**

6 **SECTION 2. (1) As used in this section:**

7 **(a) “Community microgrid” means a microgrid that is composed of**
8 **a localized group of customers and distributed energy resources within**
9 **clearly defined electrical boundaries.**

10 **(b) “Energy resource” means a small-scale energy system or mech-**
11 **anism that generates, stores or consumes energy or works to balance**
12 **and match energy demand with energy supply.**

13 **(c) “Front-of-meter” means the utility side of a transmission or**
14 **distribution system in reference to a customer’s meter.**

15 **(d) “Microgrid” means an interconnected system of loads and en-**

1 **ergy resources appropriately sized to meet customer needs within**
2 **clearly defined electrical boundaries that can function as a single,**
3 **controllable system independent from a utility transmission or dis-**
4 **tribution system.**

5 **(e) “Microgrid operator” means an entity that is responsible for**
6 **operating a microgrid, including coordinating and optimizing the op-**
7 **erations of the distributed energy resources that make up the micro-**
8 **grid. A microgrid operator may operate one or more microgrids.**

9 **(2) The Public Utility Commission shall:**

10 **(a) Investigate and create a standard for reasonable shared costs for**
11 **community energy resilience that is provided by a microgrid. The**
12 **standards must allow for owners or operators of a microgrid to recover**
13 **the costs for designing, constructing and maintaining the microgrid**
14 **from customers who use:**

15 **(A) The microgrid;**

16 **(B) The distribution system located within a microgrid zone within**
17 **which the microgrid is located; or**

18 **(C) The distribution system local to the microgrid.**

19 **(b) Allow for redundant infrastructure that supports community**
20 **microgrids.**

21 **(c) Approve a community microgrid if the community microgrid**
22 **enhances local energy resilience and is capable of supporting critical**
23 **infrastructure during and after an emergency, natural disaster or**
24 **disruption to the electric grid or energy supply.**

25 **(d) Allow a microgrid operator to operate one or more microgrids**
26 **independently from the electric grid system and direct the microgrid’s**
27 **front-of-meter energy resources during and after an emergency to**
28 **provide energy resilience services to the customers within the elec-**
29 **trical boundaries of the microgrid.**

30 **SECTION 3. Section 4 of this 2025 Act is added to and made a part**
31 **of ORS chapter 455.**

1 **SECTION 4.** (1) As used in this section:

2 **(a) “Community microgrid” means a microgrid that is composed of**
3 **a localized group of customers and distributed energy resources within**
4 **clearly defined electrical boundaries.**

5 **(b) “Energy resource” means a small-scale energy system or mech-**
6 **anism that generates, stores or consumes energy or works to balance**
7 **and match energy demand with energy supply.**

8 **(c) “Microgrid” means an interconnected system of loads and en-**
9 **ergy resources appropriately sized to meet customer needs within**
10 **clearly defined electrical boundaries that can function as a single,**
11 **controllable system independent from a utility transmission or dis-**
12 **tribution system.**

13 **(2) The Department of Consumer and Business Services shall adopt**
14 **rules to the state building code that support the integration of**
15 **buildings with community microgrids.**

16 **SECTION 5.** Section 6 of this 2025 Act is added to and made a part
17 **of ORS chapter 197.**

18 **SECTION 6.** (1) As used in this section:

19 **(a) “Community microgrid” means a microgrid that is composed of**
20 **a localized group of customers and distributed energy resources within**
21 **clearly defined electrical boundaries.**

22 **(b) “Energy resource” means a small-scale energy system or mech-**
23 **anism that generates, stores or consumes energy or works to balance**
24 **and match energy demand with energy supply.**

25 **(c) “Microgrid” means an interconnected system of loads and en-**
26 **ergy resources appropriately sized to meet customer needs within**
27 **clearly defined electrical boundaries that can function as a single,**
28 **controllable system independent from a utility transmission or dis-**
29 **tribution system.**

30 **(2) A local government may:**

31 **(a) Adopt land use regulations that correspond to microgrid zones**

1 to encourage development that is compatible with microgrids and
2 community microgrids.

3 (b) Designate a geographical area based on existing electric service
4 infrastructure located within the jurisdiction of the local government
5 as a microgrid zone, subject to the approval of the Public Utility
6 Commission.

7 (c) Enter into an intergovernmental agreement with one or more
8 local governments to designate a geographical area based on existing
9 electric service infrastructure located within and across the jurisdic-
10 tions of the local governments as a microgrid zone, subject to the ap-
11 proval of the commission.

12 SECTION 7. This 2025 Act takes effect on the 91st day after the date
13 on which the 2025 regular session of the Eighty-third Legislative As-
14 sembly adjourns sine die.

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