

A-Engrossed
House Bill 3055

Ordered by the House March 31
Including House Amendments dated March 31

Sponsored by Representative MARSH

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Requires Public Utility Commission to establish eligibility cap for [*nameplate capacity for small power production facility that produces energy using solar or wind energy to qualify as qualifying facility*] **standard avoided costs rates and contracts for purchase of energy or energy and capacity from qualifying facilities** at no less than 10 megawatts.

Requires commission to permit energy storage system to be paired with [*small power production*] **qualifying** facility.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to qualifying facilities; creating new provisions; amending ORS 758.535; and prescribing an
3 effective date.

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

5 **SECTION 1.** ORS 758.535 is amended to read:

6 758.535. (1) The Public Utility Commission shall establish minimum criteria **consistent with**
7 **section 3 of this 2023 Act** that a cogeneration facility or small power production facility must meet
8 to qualify as a qualifying facility under ORS 543.610, 757.005 and 758.505 to 758.555.

9 (2) The terms and conditions for the purchase of energy or energy and capacity from a qualify-
10 ing facility shall:

11 (a) Be established by rule by the commission if the purchase is by a public utility;

12 (b) Be adopted by an electric cooperative or people's utility district according to the applicable
13 provision of ORS chapter 62 or 261; and

14 (c) Be established by a municipal utility according to the requirements of the municipality's
15 charter and ordinance.

16 (3) The rules or policies adopted under subsection (2) of this section also shall:

17 (a) Establish safety and operating requirements necessary to adequately protect all systems, fa-
18 cilities and equipment of the electric utility and qualifying facility;

19 **(b) Establish the eligibility cap for standard avoided costs rates and contracts for the**
20 **purchase of energy or energy and capacity from qualifying facilities at no less than 10**
21 **megawatts;**

22 [(b)] (c) Be consistent with applicable standards required by the Public Utility Regulatory Poli-
23 cies Act of 1978 (P.L. 95-617); and

24 [(c)] (d) Be made available to the public at the commission's office.

25 **SECTION 2. Section 3 of this 2023 Act is added to and made a part of ORS 758.505 to**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 758.555.

2 **SECTION 3.** The minimum criteria established under ORS 758.535 (1) must, to the extent
3 permitted under the requirements of the Federal Energy Regulatory Commission for quali-
4 fying facilities, permit an energy storage system to be paired with a qualifying facility such
5 that the energy storage system provides storage capacity for the energy produced by the
6 qualifying facility.

7 **SECTION 4.** This 2023 Act takes effect on the 91st day after the date on which the 2023
8 regular session of the Eighty-second Legislative Assembly adjourns sine die.

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