



House Committee on Climate, Energy, and Environment
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

February 1, 2023

Dear Chair Marsh and members of the committee,

The Oregon Solar + Storage Industries Association (OSSIA) is a trade association founded in 1981 to promote clean, renewable, solar technologies. OSSIA members include businesses, non-profit groups, and other solar and storage industry stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar value chain; from workforce development to permitting, advocacy, policy, and regulation for manufacturing, residential, commercial, community, and utility scale solar projects on the local, state and regional level.

OSSIA strongly supports HB 2533 and urge the committee to advance the legislation in this session. This bill is designed to fill the data gap on costs that were identified in the Oregon Department of Energy (ODOE) Study on Small-Scale and Community-Based Renewable Energy Projects. It is already difficult to site large utility scale projects in Oregon, so small scale projects are essential to moving forward towards a resilient electric system in the state. Small scale developments and community-based energy projects are frequently built and operated by small businesses.

HB 2533 is necessary to encourage renewable small businesses in Oregon and is the key to ensuring these high value tax projects bring benefits to the state. Projects built in Oregon bring in extensive economic benefits, from better paying jobs, payments to landowners, and increased tax revenue. However, to receive the benefit of these small-scale projects, they must be sited in Oregon. The difficulty to site large solar projects in Oregon resulted in only a handful of projects over 100 megawatts being built in Oregon up to this point. While other pieces of legislation and workgroups are attempting to improve the siting process for those facilities, it is important that small-scale and community-based renewable energy projects continue to be built in Oregon.

An objective study of the costs of small-scale renewable projects as proposed in HB 2533 is necessary as the costs in avoided costs have been rapidly changing over time, and the data on projects already built is inconclusive, making additional relevant data necessary to determine the true cost. There have been many claims being made that small projects are more expensive. However, there is not enough data to support this conclusion. While early utility solar projects were very expensive, the price has continued to reduce overtime. Solar has been cheaper than natural gas at times over the past few years. Recently, prices have become more expensive because of supply chain constraints, increased costs of steel and labor, increased interest rates, and increased costs of shipping and transportation. Ideally, this study will examine avoided costs over time and examine the highest and lowest costs of projects.

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OSSIA supports HB 2533 and urges the committee to advance the bill in order to determine the cost of small-scale renewable energy projects on ratepayers.