

House Bill 3863

Sponsored by Representative HELM; Representative GAMBA

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 **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Makes the PUC set a cap at no less than 10 MWs for the use of standard terms and conditions for buying power from a qualifying facility. (Flesch Readability Score: 60.3).

Requires the Public Utility Commission to establish an eligibility cap at no less than 10 megawatts for the use of standard avoided costs rates and contracts for the purchase of energy or energy and capacity from qualifying facilities under the Public Utility Regulatory Policies Act of 1978.

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

A BILL FOR AN ACT

1
2 Relating to qualifying facilities under the Public Utility Regulatory Policies Act of 1978; amending
3 ORS 758.535; and prescribing an 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 that a cogeneration
7 facility or small power production facility must meet to qualify as a qualifying facility under ORS
8 543.610, 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. This 2025 Act takes effect on the 91st day after the date on which the 2025**
26 **regular session of the Eighty-third Legislative Assembly adjourns sine die.**

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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.