

April 25, 2025

**Position on Bills at 2025
Session of Oregon Legislature:**

SB 927: Oppose, unless amended



The Consolidated Oregon Indivisible Network (COIN) is a coalition of over 50 local Indivisible groups throughout Oregon that cooperate and amplify their joint efforts to advance important federal and state legislation and engage with elected officials to promote causes for the benefit of all Oregonians.

COIN opposes SB 927, unless it is amended so that the tax credit is not available for fossil-fueled or nuclear power plants or hydroelectric facilities with adverse impacts on fish. In essence, the amendment should make the tax credit available only for new wind or solar or geothermal energy facilities, with or without associated energy storage capacity.

SB 927 would create an income or corporate excise tax credit for the amount paid by an owner of an eligible generation facility for transmission services. Eligible facilities are wind or solar power plants or a facility that "provides energy storage":

- (2) "Eligible generation facility" means a facility that:
 - (a) (A) Generates only nonemitting electricity derived from solar or wind energy; or
 - (B) Provides energy storage . . .

The tax credit is the sum of amounts paid by the owner to the Bonneville Power Administration or an electric utility for transmission services for up to 600 megawatts of the eligible generation facility's nameplate capacity. The credit would be available for tax years beginning on or after January 1, 2026, and to eligible generation facilities first placed in service on or after January 1, 2026, and before January 1, 2032.

The defect in SB 927 is that it authorizes the tax credit for any energy facility that "provides energy storage," whether or not it involves wind or solar energy. That definition could include hydroelectric plants, nuclear power plants, and fossil-fueled power plants. All of them "provide energy storage." Hydroelectric plants, including pumped storage facilities, have storage in the form of the impounded water. Nuclear power plants have energy stored in their fuel rods. Fossil-fuel power plants have energy stored in their stockpiled fuel (coal, oil, gas). Even if those definitions of "energy storage" were somehow rejected, any of those new facilities could qualify for the tax credit, as SB 927 is written, merely by adding a bit of battery storage onsite. That would make the facility one that "provides energy storage" and thus the whole facility qualifies for the tax credit.

Note that the bill would provide tax credits, not merely tax deductions. The resulting tax credits could be huge, in the tens of millions of dollars for a single facility, since the

credit would be available for huge facilities of up to 600 MW nameplate. There are no power plants that large currently in Oregon, except for the dams on the Columbia River and Brownlee Dam on the Snake River.

We understand it is very unlikely that any coal-fired or oil-fired or nuclear power plants will be constructed in Oregon and placed into service by 2032. But large gas-fired turbines could well be. As written, SB 927 would grant huge tax credits to the owners of such facilities for no apparent purpose.

Consolidated Oregon Indivisible Network (COIN)

Daniel Meek
authorized testifier
dan@meek.net
503-293-9021