

D R A F T

SUMMARY

Modifies definition of “baseload electricity” for purposes of greenhouse gas emissions standards.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to the definition of baseload electricity; amending ORS 757.522; and declaring an emergency.

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

SECTION 1. ORS 757.522 is amended to read:

757.522. As used in ORS 757.522 to 757.536:

(1) “Additional interest” means:

(a) The acquisition, by the holder of an interest in a generating facility located in Oregon, of a separate interest in that generating facility that is producing energy and is in service for tax purposes, commercially operable or in rates on July 1, 2010; and

(b) The renewal of an existing contract of five or more years that includes the acquisition of baseload electricity for an additional term of five or more years where the expected greenhouse gas emissions profile of the contract renewal is substantially similar to that of the previous contract.

(2) “Annual plant capacity factor” means the ratio of the electricity produced by a generating facility during one year, measured in kilowatt-hours, to the electricity the generating facility could have produced if it had been operated at its rated capacity throughout the same year, expressed in kilowatt-hours.

(3)(a) “Baseload electricity” means electricity produced by a generating facility that is designed and intended, at the time a site certificate, **or a permit from another state or country that authorizes the construction and operation of the facility**, is issued to the owner of the facility, to provide electricity on a continuous basis at an annual plant capacity factor of at least 60 percent.

(b) “Baseload electricity” does not include electricity from:

(A) A qualifying facility under the federal Public Utility Regulatory Policies Act of 1978, 16 U.S.C. 2601 to 2645; or

(B) A generating source that uses natural gas or petroleum distillates as a fuel source and that is primarily used to serve either peak demand or to integrate energy from a renewable energy source described in ORS 469A.025.

(4) “Construction” has the meaning given that term in ORS 469.300.

(5) “Consumer-owned utility” has the meaning given that term in ORS 757.600.

(6) “Electric company” has the meaning given that term in ORS 757.600.

(7) “Electricity service supplier” has the meaning given that term in ORS 757.600.

(8) “Generating facility” includes one or more jointly operated electricity generators that use the same fuel type, have the same in-service date and operate at the same location as described in ORS 469.300.

(9) “Governing board” means the legislative authority of a consumer-owned utility.

(10)(a) “Long-term financial commitment” means an investment in or upgrade of a generating facility that produces baseload electricity, or a contract with a term of more than five years that includes acquisition of baseload electricity.

(b) “Long-term financial commitment” does not include:

(A) Routine or necessary maintenance;

(B) Installation of emission control equipment;

(C) Installation, replacement or modification of equipment that improves

1 the heat rate of the facility or reduces a generating facility's pounds of
2 greenhouse gases per megawatt-hour of electricity;

3 (D) Installation, replacement or modification of equipment where the pri-
4 mary purpose is to maintain reliable generation output capability and not
5 to extend the life of the generating facility, and that does not increase the
6 heat input or fuel usage as specified in existing generation air quality per-
7 mits, but that may result in incidental increases in generation capacity;

8 (E) Repairs necessitated by sudden and unexpected equipment failure; or

9 (F) An acquisition of an additional interest.

10 (11) "Output-based methodology" means a greenhouse gas emissions
11 standard that is expressed in pounds of greenhouse gases emitted per
12 megawatt-hour, factoring in the useful thermal energy employed for purposes
13 other than the generation of electricity.

14 (12) "Site certificate" has the meaning given that term in ORS 469.300.

15 (13) "Upgrade" means any modification made for the primary purpose of
16 increasing the electric generation capacity of a baseload facility.

17 **SECTION 2. This 2013 Act being necessary for the immediate pres-**
18 **ervation of the public peace, health and safety, an emergency is de-**
19 **clared to exist, and this 2013 Act takes effect on its passage.**