

D R A F T

SUMMARY

Raises total solar photovoltaic generating nameplate capacity of all electric companies in this state from 20 megawatts of alternating current to 40 megawatts of alternating current. Requires additional 20 megawatts of alternating current to be attributable to projects located on land owned or leased by Oregon Military Department.

A BILL FOR AN ACT

Relating to the Oregon Military Department; amending ORS 757.370 and 757.375.

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

SECTION 1. ORS 757.370 is amended to read:

757.370. (1)(a) On or before January 1, 2020, the total solar photovoltaic generating nameplate capacity, from qualifying systems generating at least 500 kilowatts, of all electric companies in this state must be at least [20] **40** megawatts of alternating current [*with no single project greater than five megawatts of alternating current*].

(b) Of the 40 megawatts of alternating current required under this subsection:

(A) 20 megawatts of alternating current must be attributable to single projects that produce no more than five megawatts of alternating current; and

(B) 20 megawatts of alternating current must be attributable to projects located on a site owned or leased by the Oregon Military Department.

(2)(a) For the purpose of complying with the solar photovoltaic generat-

ing capacity standard established by this section, on or before January 1, 2020, each electric company is required to maintain a minimum generating capacity from qualifying systems.

(b) The minimum generating capacity for each electric company **under subsection (1)(b)(A) of this section** is determined by multiplying 20 megawatts by a fraction equal to the electric company's share of all retail electricity sales made in this state in 2008 by all electric companies.

(c)(A) The minimum generating capacity for each electric company under subsection (1)(b)(B) of this section is determined by multiplying 20 megawatts by a fraction equal to the electric company's share of all retail electricity sales made in this state in 2008 by all electric companies not exempt under subparagraph (B) of this paragraph.

(B) An electric utility serving fewer than 25,000 customers in this state that has its headquarters located in another state is not subject to the minimum generating capacity required by this paragraph.

(3) For the purposes of ORS 757.360 to 757.380, capacity of a solar photovoltaic energy system is measured on the alternating current side of the system's inverter using the measurement standards set forth by the Public Utility Commission by rule. If the system does not use an inverter, the measurement shall be made at the direct current level.

(4) An electric company may satisfy the solar photovoltaic generating capacity standard established by this section with solar photovoltaic energy systems owned by the company or with contracts for the purchase of electricity from qualifying systems.

(5) All costs prudently incurred by an electric company to comply with the solar photovoltaic generating capacity standard established by this section, including above-market costs, are recoverable in the company's rates and are eligible for an automatic adjustment clause established by the commission under ORS 469A.120.

(6) The Oregon Military Department is the owner of a renewable energy certificate established under ORS 469A.130 that is associated

1 **with energy generated pursuant to subsection (1)(b)(B) of this section.**

2 [(6)] (7) The commission may adopt rules implementing and enforcing this
3 section.

4 **SECTION 2.** ORS 757.375 is amended to read:

5 757.375. (1) Any electricity produced from a qualifying system under ORS
6 757.370 that is physically located in this state may be used by an electric
7 company to comply with the renewable portfolio standard established under
8 ORS 469A.005 to 469A.210.

9 (2) For each kilowatt-hour of electricity produced **for purposes of**
10 **meeting the requirement set forth in ORS 757.370 (1)(b)(A)** from a
11 qualifying system that first becomes operational before January 1, 2016, and
12 **that** generates at least 500 kilowatts, an electric company will be credited
13 with two kilowatt-hours of qualifying electricity toward the company's com-
14 pliance with the renewable portfolio standard under ORS 469A.005 to
15 469A.210, up to a maximum of 20 megawatts of capacity.

16 (3) **For each megawatt-hour of qualifying electricity produced for**
17 **purposes of meeting the requirement set forth in ORS 757.370 (1)(b)(B)**
18 **from a qualifying system, the Public Utility Commission shall reduce,**
19 **up to a maximum of 20 megawatts of capacity, the electric company's**
20 **obligations with respect to the renewable portfolio standard under ORS**
21 **469A.005 to 469A.210.**