FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Directs Oregon Department of Administrative Services to establish program to incentivize generation of electricity derived from solar energy.

Government Unit(s) Affected:

Department of Administrative Services (DAS), Department of Energy

Summary of Expenditure Impact:

See Analysis below.

Local Government Mandate:

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

Analysis:

The bill directs the Department of Administrative Services (DAS) to establish a program to incentivize the generation of electricity derived from solar energy. Under the measure, DAS would establish the program, in consultation with the Department of Energy and, when applicable, the Public Utility Commission, and as further specified in the measure. After the program is established, the bill authorizes the agency to enter into contracts with owners or operators of eligible systems. The measure closes the program to new applicants on January 2, 2022, and specifies a payment schedule for each year that contracts are entered into, subject to available funds. The bill sunsets the program on January 2, 2029.

The bill also establishes the Solar Incentivization Fund to be used for the program, and authorizes DAS to accept grants, donations, or other gifts of money for deposit to the Fund. The bill does not otherwise specify a funding source to pay for program costs. DAS believes they would need one full-time Operations and Policy Analyst 3 position to implement the program and address the ongoing workload, at a cost of \$208,379, including associated services and supplies. It is not anticipated that there would be a significant fiscal impact to the Department of Energy or the Public Utility Commission.