



March 12, 2019

**TO:** Senator Michael Dembrow, Chair, Senate Committee on Environment and Natural Resources  
Members, Senate Committee on Environment and Natural Resources

**FR:** Rikki Seguin, Policy Director, Renewable Northwest

**RE:** Opposition of SB 451

Dear Chair Dembrow,

Renewable Northwest is a regional, non-profit renewable energy advocacy organization based in Oregon, dedicated to the responsible development of renewable energy resources throughout the Pacific Northwest. Our members are a combination of renewable energy businesses and environmental and consumer groups. **Renewable Northwest opposes SB 451, which would undermine the state's Renewable Portfolio Standard (RPS).**

#### **SB 451 Summary**

Under **ORS 469A.020(6)**, a qualifying municipal solid waste (MSW) facility that began operation before 1995 may have renewable energy certificates (RECs) issued by the Oregon Department of Energy (ODOE) (**ORS 469A.027**) but must have registered with the Western Renewable Energy Generation Information System (WREGIS) by 1/1/2011 per **ORS 469A.029**. Amongst various clerical and housekeeping changes, SB 451 removes this 1/1/2011 deadline for registration with WREGIS. This would enable a pre-1995 municipal solid waste facility, that already had the opportunity to register with WREGIS, an additional opportunity to try and generate RECs. These RECs from existing pre-1995 MSW facilities could displace RECs from new, non-emitting, renewable energy facilities. This amendment would do nothing to further the clean energy goals of the RPS, nor would it encourage additional investment in renewable energy in Oregon.

#### **SB 451 Explanation**

- **ORS 469A.020(5)** currently includes pre-1995 biomass facilities (that also meet the requirements for PURPA qualifying facilities as of 3/4/10) as RPS qualifying, with **ORS 469A.020(6)** adding generation from pre-1995 MSW facilities (up to 11 aMW/year).
- **ORS 469A.025(6)** includes MSW on or after 1995 (up to 9 aMW/year) as a renewable resource that qualifies for the RPS, with **ORS 469A.025(7)** adding electricity from hydrogen sourced from biomass.

- **ORS 469A.027** allows ODOE to issue RECs for pre-1995 biomass and pre-1995 MSW, and post-1995 MSW as well as hydrogen, for electricity generation that took place after 1/1/11.
- **ORS 469A.029** states that to be eligible for these RECs from ODOE, these generators must have registered with WREGIS by 1/1/11.
- **ORS 469A.031** is an additional existing amendment that allows pre-1995 biomass to be issued with RECs from ODOE even if they registered with WREGIS after 1/1/11.

SB 451 offers some welcome clerical housekeeping by tidying up these cross-referencing statutes, but also includes a significant policy change.

- **ORS 469A.027** (ODOE may issue RECs for these resources for generation after 1/1/11), **ORS 469A.029** (to be eligible for RECs these resources must register with WREGIS by 1/1/11), and **ORS 469A.031** (pre-1995 biomass can generate RECs even if it registers with WREGIS after 1/1/11) would all be removed.
- Instead a new section (**7**) would be added to **ORS 469A.020** which states that pre-1995 biomass and pre-1995 MSW would be eligible for RECs for post-1/1/11 generation whenever they register with WREGIS.<sup>1</sup> This cleans up the statutes for pre-1995 biomass, but also removes the 1/1/11 deadline for registration with WREGIS for pre-1995 MSW.
- The bill would also add a new section (**10**) to **ORS 469A.025**, tidying up (but not modifying) the existing statutes for post-1995 MSW and hydrogen.

While most of the language changes in this bill are indeed purely administrative or clerical, there is a very clear policy change that would allow pre-1995 MSW the opportunity to register with WREGIS, when the deadline for that passed over eight years ago on 1/1/11. Allowing pre-1995 MSW another opportunity to generate RECs would not lead to any new renewable generation in Oregon, nor would it lead to any new investment in clean energy.

### **What benefits does the RPS bring to Oregon?**

In 1998, Oregon was home to only one operational wind farm. Thanks to policies like SB 1149 in 1999, which established a public purpose fund to encourage improvement in energy efficiency

---

<sup>1</sup> It is our understanding that the WREGIS Operating Rules would not allow the issuing of RECs for generation that took place before a facility had registered with WREGIS. See, for example, ‘WREGIS Operating Rules —January 2018’, Section 5.3 (Registering a Generating Unit with WREGIS), “No generation prior to the earliest active certificate issuance cycle at the time the generator is approved will be eligible for Certificate creation [...]”.  
[www.wecc.org/Administrative/WREGIS%20Operating%20Rules%20Comment%20update%20CL EAN.pdf](http://www.wecc.org/Administrative/WREGIS%20Operating%20Rules%20Comment%20update%20CL EAN.pdf)



and development of renewable energy, and the RPS in 2007, Oregon grew into a national leader for renewable energy development.

Since 1998, renewable energy in Oregon has delivered:

- More than \$10.3 billion in investments
- More than \$258 million in public revenue
- More than 7,700 jobs

In order for the state to continue to cut emissions from fossil fuels and shift to a clean energy economy, it must continue its commitment to a growing renewable energy economy. We oppose SB 451 as it would open the RPS in a way that allows a municipal solid waste facility, which already had an opportunity to register with WREGIS and qualify for the RPS, a second bite at the apple, displacing the renewable energy growth that the policy envisions.

Sincerely,

Rikki Seguin  
Policy Director  
Renewable Northwest