HB 3274-4 (LC 2375) 3/29/19 (MAM/am/ps)

Requested by Representative HELM

## PROPOSED AMENDMENTS TO HOUSE BILL 3274

1 On page 1 of the printed bill, line 2, after "469A.025" insert a period and 2 delete the rest of the line and line 3.

3 Delete lines 5 through 24 and delete pages 2 through 9 and insert:

4 **"SECTION 1.** ORS 469A.025 is amended to read:

"469A.025. (1) Electricity generated utilizing the following types of energy
may be used to comply with a renewable portfolio standard:

7 "(a) Wind energy.

8 "(b) Solar photovoltaic and solar thermal energy.

9 "(c) Wave, tidal and ocean thermal energy.

10 "(d) Geothermal energy.

"(2) Except as provided in subsection (3) of this section, electricity generated from biomass and biomass by-products may be used to comply with a renewable portfolio standard, including but not limited to electricity generated from:

15 "(a) Organic human or animal waste;

16 "(b) Spent pulping liquor;

"(c) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;

"(d) Wood material from hardwood timber grown on land described in
 ORS 321.267 (3);

1 "(e) Agricultural residues;

2 "(f) Dedicated energy crops; and

"(g) Landfill gas or biogas produced from organic matter, wastewater,
anaerobic digesters or municipal solid waste.

5 "(3) Electricity generated from the direct combustion of biomass may not 6 be used to comply with a renewable portfolio standard if any of the biomass 7 combusted to generate the electricity includes wood that has been treated 8 with chemical preservatives such as creosote, pentachlorophenol or 9 chromated copper arsenate.

10 "(4) Electricity generated by a hydroelectric facility may be used to 11 comply with a renewable portfolio standard only if:

"(a) The facility is located outside any protected area designated by the
Pacific Northwest Electric Power and Conservation Planning Council as of
July 23, 1999, or any area protected under the federal Wild and Scenic Rivers
Act, P.L. 90-542, or the Oregon Scenic Waterways Act, ORS 390.805 to
390.925; or

"(b) The electricity is attributable to efficiency upgrades made to the facility on or after January 1, 1995.

"(5)(a) Up to 50 average megawatts of electricity per year generated by an electric utility from certified low-impact hydroelectric facilities described in ORS 469A.020 (4)(a) may be used to comply with a renewable portfolio standard, without regard to the number of certified facilities operated by the electric utility or the generating capacity of those facilities. A hydroelectric facility described in this paragraph is not subject to the requirements of subsection (4) of this section.

<sup>26</sup> "(b) Up to [40] \_\_\_\_\_ average megawatts of electricity per year generated <sup>27</sup> by certified low-impact hydroelectric facilities described in ORS 469A.020 <sup>28</sup> (4)(b) may be used to comply with a renewable portfolio standard, without <sup>29</sup> regard to the number of certified facilities or the generating capacity of <sup>30</sup> those facilities. A hydroelectric facility described in this paragraph is not 1 subject to the requirements of subsection (4) of this section.

"(6)(a) Direct combustion of municipal solid waste in a generating facility located in this state may be used to comply with a renewable portfolio standard. The qualification of a municipal solid waste facility for use in compliance with a renewable portfolio standard has no effect on the qualification of the facility for a tax credit under ORS 469B.130 to 469B.169.

"(b) The total amount of electricity generated in this state by direct combustion of municipal solid waste by generating facilities that became operational in this state on or after January 1, 1995, may not exceed nine average megawatts per year for the purpose of complying with a renewable portfolio standard.

"(7) Electricity generated from hydrogen gas, including electricity generated by hydrogen power stations using anhydrous ammonia as a fuel source,
may be used to comply with a renewable portfolio standard if:

15 "(a) The electricity is derived from:

16 "(A) Any source of energy described in subsection (1) or (2) of this sec-17 tion; or

"(B) A hydroelectric facility that complies with subsection (4) of this
section and that is certified as a low-impact hydroelectric facility as described in ORS 469A.020 (4); and

"(b) The output of the original source of energy is not also used to comply
with a renewable portfolio standard.

"(8) If electricity generation employs multiple energy sources, that portion of the electricity generated that is attributable to energy sources described in this section may be used to comply with a renewable portfolio standard.

"(9) The State Department of Energy by rule may approve energy sources other than those described in this section that may be used to comply with a renewable portfolio standard. The department may not approve petroleum, natural gas, coal or nuclear fission as an energy source that may be used to 1 comply with a renewable portfolio standard.

<u>"SECTION 2.</u> Section 3 of this 2019 Act is added to and made a part
 of ORS 469A.005 to 469A.210.

4 "SECTION 3. (1) As used in this section, 'certified low-impact hy-5 droelectric facility' means:

"(a) A certified low-impact hydroelectric facility described in ORS
469A.020 (4)(b); or

"(b) A hydroelectric facility located in Oregon and licensed by the
Federal Energy Regulatory Commission under the Federal Power Act,
16 U.S.C. 791a et seq., or exempt from such license, and that:

11 "(A) Became operational after January 1, 1995;

"(B) Is certified as a low-impact hydroelectric facility by a national
 certification organization recognized by the State Department of En ergy by rule; and

15 "(C) Is not owned by an electric utility.

"(2) By the calendar year 2030, at least 100 average megawatts of
 qualifying electricity used by electric companies each calendar year to
 meet the requirements of ORS 469A.052 must be generated by certified
 low-impact hydroelectric facilities.

"(3) An electric company must comply with the requirements of
 subsection (2) of this section by using bundled renewable energy cer tificates issued or acquired during the compliance year.

"(4) In meeting the requirements of this section, an electric company shall give preference to making acquisitions of qualifying electricity generated by certified low-impact hydroelectric facilities that serve to improve the performance of irrigation districts and reduce water consumption.

"(5)(a) The Public Utility Commission shall, by rule or order, es tablish:

30 "(A) The amount of qualifying electricity generated by certified

low-impact hydroelectric facilities that each electric company must
 acquire each calendar year; and

"(B) A schedule for electric companies to comply with subparagraph
(A) of this paragraph that takes into account the technical feasibility
of development of generating capacity by certified low-impact hydroelectric facilities.

"(b) The commission may, by rule or order, suspend or extend the
2030 deadline set forth in subsection (2) of this section if the commission determines that application of the deadline is not technically
feasible or would result in one or more electric companies exceeding
the cost limitation established under ORS 469A.100.".

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