

Requested by Representative SMITH DB

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2021**

1 On page 1 of the printed A-engrossed bill, line 2, after “energy” delete the  
2 rest of the line and insert a period.

3 Delete line 3.

4 Delete pages 2 through 27 and insert:

5 **“SECTION 1. Section 2 of this 2021 Act is added to and made a part**  
6 **of ORS 469A.005 to 469A.210.**

7 **“SECTION 2. (1) As used in this section, ‘renewable energy certifi-**  
8 **icates’ means bundled renewable energy certificates and unbundled**  
9 **renewable energy certificates.**

10 **“(2)(a) The Legislative Assembly declares that the State of Oregon**  
11 **has a substantial state interest in:**

12 **“(A) Creating a more resilient supply of electricity used to serve**  
13 **retail electricity consumers; and**

14 **“(B) Ensuring that efforts to reduce the greenhouse gas emissions**  
15 **attributable to this state provide direct environmental benefits in this**  
16 **state.**

17 **“(b) The Legislative Assembly further finds and declares that:**

18 **“(A) Locating low-emissions and no-emissions electricity generating**  
19 **and storage facilities close to retail electricity consumers served with**  
20 **the electricity generated or stored by those facilities:**

21 **“(i) Increases resilience without causing the harmful side effects**

1 of emissions emitted from electricity generating facilities;

2 “(ii) Reduces the costs and delays associated with constructing ad-  
3 ditional transmission capacity to connect remote electricity generating  
4 and storage facilities; and

5 “(iii) Reduces the wildfire-related resiliency risks to the electricity  
6 grid that increase with the remoteness of electricity generating and  
7 storage facilities; and

8 “(B) Replacing electricity generating facilities that utilize petro-  
9 leum, natural gas or coal as an energy source with electricity gener-  
10 ating and storage facilities that utilize renewable energy sources can  
11 result in the reduction or avoidance of emissions of air contaminants  
12 other than greenhouse gases and can provide particular benefits to  
13 historically disadvantaged communities that have been traditionally  
14 and disproportionately burdened with the health, financial and other  
15 adverse impacts associated with air contaminants other than  
16 greenhouse gases emitted from electricity generating facilities and  
17 other waste products from power generation.

18 “(3) In pursuit of the substantial state interests set forth in sub-  
19 section (2)(a) of this section and in addition to the requirements of  
20 ORS 469A.135:

21 “(a) Out of the renewable energy certificates used by an electric  
22 utility to meet the renewable portfolio standard applicable to that  
23 electric utility in a compliance year, 35 percent of the renewable en-  
24 ergy certificates that were issued for electricity generated by a facility  
25 constructed on or after the effective date of this 2021 Act must be for  
26 electricity generated by a facility that provides direct energy resiliency  
27 or environmental benefits in this state; and

28 “(b) Out of the electricity available to an electric utility from an  
29 electricity storage facility and used by the electric utility to offset the  
30 renewable portfolio standard in a compliance year, 35 percent of the

1 stored electricity must be from an electricity storage facility con-  
2 structed on or after the effective date of this 2021 Act that provides  
3 direct energy resiliency or environmental benefits in this state.

4 “(4) For the purposes of this section, an electricity generating or  
5 storage facility provides direct energy resiliency or environmental  
6 benefits in this state if the facility:

7 “(a) Provides direct local resiliency benefits to retail electricity  
8 consumers through one or more of the following:

9 “(A) Increased reliability in parts of this state that typically expe-  
10 rience more frequent or longer service disruptions or that are more  
11 likely to be impacted by a catastrophic event;

12 “(B) Greater penetration of electricity generating and storage re-  
13 sources in remote communities;

14 “(C) Reduced exposure to the costs of service disruptions;

15 “(D) Modernization to the electrical grid in this state;

16 “(E) Reduced reliance on long-distance transmission;

17 “(F) Investment in communities and households in this state that  
18 are least able to afford technologies that improve the reliability of  
19 electricity service; or

20 “(G) Other local resiliency augmenting benefits for retail electricity  
21 consumers as may be identified by rule by the State Department of  
22 Energy, in consultation with the Public Utility Commission;

23 “(b) Contributes to a reduction in or avoidance of emissions of any  
24 air contaminant or water contaminant in this state other than a  
25 greenhouse gas; or

26 “(c) Contributes to an improvement in the health of natural and  
27 working lands in this state.

28 “(5) There is a rebuttable presumption that an electricity generat-  
29 ing or storage facility provides direct energy resiliency or environ-  
30 mental benefits in this state for purposes of this section if the facility:

1       “(a) Is directly interconnected in this state to the electrical grid of  
2 an electric utility serving retail electricity consumers;

3       “(b) Is directly interconnected to the Bonneville Power Adminis-  
4 tration contiguous transmission grid serving this state;

5       “(c) Is used to comply with the requirements of ORS 469A.210;

6       “(d) Is a community solar project from which electricity is procured  
7 pursuant to the program adopted under ORS 757.386;

8       “(e) Is a solar energy resource connected behind the meter of a re-  
9 tail electricity consumer that includes battery storage capable of pro-  
10 viding temporary electric power in the event of a power outage; or

11       “(f) Relies on transmission facilities to transmit electricity for no  
12 more than 50 miles to reach the contiguous border of this state from  
13 an adjoining state in order to serve retail electricity consumers.

14       “SECTION 3. (1) The Public Utility Commission may not cause to  
15 delay, due to the pendency of any rulemaking or other proceeding  
16 necessary to implement one or more provisions of section 2 of this 2021  
17 Act, any procurement or request for proposals that will result in the  
18 procurement by an electric utility of electricity from a facility that  
19 meets the statutory criteria set forth in section 2 (5) of this 2021 Act.

20       “(2) The enactment of section 2 of this 2021 Act is not intended to  
21 modify, delay or alter the timeline for any procurement or request for  
22 proposals initiated on, before or after the effective date of this 2021  
23 Act for which rulemaking is not necessary to determine whether the  
24 procurement or request for proposals will count toward compliance by  
25 an electric utility with section 2 of this 2021 Act.”.

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