HB 2021-A35 (LC 3683) 4/26/21 (DJ/cpa/ps)

Requested by Representative SMITH DB

## PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 2021

On page 1 of the printed A-engrossed bill, line 2, after the second semicolon delete the rest of the line and insert "and amending ORS 469A.052 and 469A.210.".

4 Delete line 3.

5 Delete pages 2 through 27 and insert:

6 **"SECTION 1.** ORS 469A.052 is amended to read:

"469A.052. (1) The large utility renewable portfolio standard imposes the
following requirements on an electric utility that makes sales of electricity
to retail electricity consumers in an amount that equals three percent or
more of all electricity sold to retail electricity consumers:

"(a) At least five percent of the electricity sold by the electric utility to
retail electricity consumers in each of the calendar years 2011, 2012, 2013 and
2014 must be qualifying electricity;

"(b) At least 15 percent of the electricity sold by the electric utility to
retail electricity consumers in each of the calendar years 2015, 2016, 2017,
2018 and 2019 must be qualifying electricity;

"(c) At least 20 percent of the electricity sold by the electric utility to
retail electricity consumers in each of the calendar years 2020, 2021, 2022[,]
and 2023 [and 2024] must be qualifying electricity;

"(d) At least 20 percent of the electricity sold by a consumer-owned
 utility to retail electricity consumers in the calendar year 2024 must

## 1 be qualifying electricity;

"(e) At least 25 percent of the electricity sold by an electric company to retail electricity consumers in the calendar year 2024 must be
qualifying electricity;

"[(d)] (f) At least 25 percent of the electricity sold by a consumer-owned
utility to retail electricity consumers in the calendar year 2025 and subsequent calendar years must be qualifying electricity;

8 "[(e) At least 27 percent of the electricity sold by an electric company to 9 retail electricity consumers in each of the calendar years 2025, 2026, 2027, 2028 10 and 2029 must be qualifying electricity;]

"[(f) At least 35 percent of the electricity sold by an electric company to retail electricity consumers in each of the calendar years 2030, 2031, 2032, 2033 and 2034 must be qualifying electricity;]

"[(g) At least 45 percent of the electricity sold by an electric company to retail electricity consumers in each of the calendar years 2035, 2036, 2037, 2038 and 2039 must be qualifying electricity; and]

"[(h) At least 50 percent of the electricity sold by an electric company to
retail electricity consumers in the calendar year 2040 and subsequent calendar
years must be qualifying electricity.]

"(g) In 2025 and in each following calendar year before 2031, the share of qualifying electricity sold by an electric company to retail electricity consumers must increase by a constant amount such that by 2030, at least 50 percent of electricity sold by the electric company to retail electricity consumers is qualifying electricity; and

<sup>25</sup> "(h) In 2031 and each following calendar year before 2036, the share <sup>26</sup> of qualifying electricity sold by an electric company to retail electric-<sup>27</sup> ity consumers must increase by a constant amount such that in 2035 <sup>28</sup> and subsequent calendar years, 70 percent of electricity sold by the <sup>29</sup> electric company to retail electricity consumers is qualifying electric-<sup>30</sup> ity.

"(2) If, on June 6, 2007, an electric utility makes sales of electricity to 1 retail electricity consumers in an amount that equals less than three percent  $\mathbf{2}$ of all electricity sold to retail electricity consumers, but in any three con-3 secutive calendar years thereafter makes sales of electricity to retail elec-4 tricity consumers in amounts that average three percent or more of all  $\mathbf{5}$ electricity sold to retail electricity consumers, the electric utility is subject 6 to the renewable portfolio standard described in subsection (3) of this sec-7 tion. The electric utility becomes subject to the renewable portfolio standard 8 described in subsection (3) of this section in the calendar year following the 9 three-year period during which the electric utility makes sales of electricity 10 to retail electricity consumers in amounts that average three percent or more 11 of all electricity sold to retail electricity consumers. 12

"(3) An electric utility described in subsection (2) of this section must
 comply with the following renewable portfolio standard:

"(a) Beginning in the fourth calendar year after the calendar year in
which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least five percent of the electricity sold
by the electric utility to retail electricity consumers in a calendar year must
be qualifying electricity;

"(b) Beginning in the 10th calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 15 percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity;

<sup>25</sup> "(c) Beginning in the 15th calendar year after the calendar year in which the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 20 percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity; and

<sup>30</sup> "(d) Beginning in the 20th calendar year after the calendar year in which

the electric utility becomes subject to the renewable portfolio standard described in this subsection, at least 25 percent of the electricity sold by the electric utility to retail electricity consumers in a calendar year must be qualifying electricity.

5 "<u>SECTION 2.</u> ORS 469A.210 is added to and made a part of ORS
6 chapter 757.

7 "SECTION 3. ORS 469A.210 is amended to read:

8 "469A.210. (1) As used in this section:

9 "(a) 'Electric company' has the meaning given that term in ORS
10 757.600.

"(b) 'Retail electricity consumer' has the meaning given that term
 in ORS 757.600.

"[(1)] (2) The Legislative Assembly finds that community-based renewable energy projects, including but not limited to marine renewable energy resources that are either developed in accordance with the Territorial Sea Plan adopted pursuant to ORS 196.471 or located on structures adjacent to the coastal shorelands, are an essential element of this state's energy future.

<sup>18</sup> "[(2) For purposes related to the findings in subsection (1) of this section, <sup>19</sup> by the year 2025, at least eight percent of the aggregate electrical capacity of <sup>20</sup> all electric companies that make sales of electricity to 25,000 or more retail <sup>21</sup> electricity consumers in this state must be composed of electricity generated by <sup>22</sup> one or both of the following sources:]

"(3)(a) For purposes related to the findings in subsection (2) of this section, by the following years the following percentages of electricity sold in this state by each electric company that makes sales of electricity to 25,000 or more retail electricity consumers in this state must be composed of electricity generated by one or more of the sources described in paragraph (b) of this subsection:

29 "(A) By 2030, five percent; and

30 **"(B) By 2035, 10 percent.** 

HB 2021-A35 4/26/21 Proposed Amendments to A-Eng. HB 2021 "(b) An electric company may comply with paragraph (a) of this
 subsection through sales of electricity composed of electricity gener ated by:

"[(a)] (A) Small-scale renewable energy projects with a generating capacity of 20 megawatts or less, or that are interconnected with a transmission or distribution system at a voltage of 115 kilovolts or less, and
that generate electricity utilizing a type of energy described in ORS
469A.025; [or]

9 "[(b)] (B) Facilities that generate electricity using biomass that also 10 generate thermal energy for a secondary purpose[.]; or

"(C) Small power production facilities as defined in ORS 758.505 that
 generate electricity utilizing a type of energy listed in ORS 469A.025
 and that:

"(i) Are located, with the consent of the relevant tribal government
 as defined in ORS 181A.680, within the boundaries of an Indian reser vation or land held in trust by the United States for the benefit of a
 federally recognized Oregon Indian tribe; or

18 "(ii) Have executed a community benefits agreement with a local 19 government as defined in ORS 174.116, a school district as defined in 20 ORS 332.002, a local environmental or habitat conservation organiza-21 tion or another entity that exists for the public benefit as identified 22 by rule by the Public Utility Commission.

"(4)(a) Out of the facilities described in subsection (3) of this section
that generate electricity used to meet the requirements of subsection
(3) of this section, at least 25 percent must be:

<sup>26</sup> "(A) Located in the electric company's service territory;

27 "(B) Directly interconnected with the transmission system owned
28 or managed by the electric company; or

"(C) If not directly interconnected with the transmission system
 owned or managed by the electric company, designated as a network

1 resource.

"(b) An electric company must cooperate with the efforts of a facility described in subsection (3) of this section to be designated as a
network resource.

5 "[(3)] (5) Regardless of the facility's nameplate capacity, any single facil-6 ity described in subsection [(2)(b)] (3)(b)(B) of this section may be used to 7 comply with the requirement specified in subsection [(2)] (3) of this section 8 for up to 20 megawatts of capacity.

9 "SECTION 4. (1) The Public Utility Commission may not cause to 10 delay, due to the pendency of any rulemaking or other proceeding 11 necessary to implement one or more provisions of ORS 469A.210, any 12 procurement or request for proposals that will result in the procure-13 ment by an electric company of electricity generated from a facility 14 described in ORS 469A.210 (3)(b)(A), (B) or (C)(i).

15 "(2) The amendments to ORS 469A.210 by section 3 of this 2021 Act 16 are not intended to modify, delay or alter the timeline for any pro-17 curement or request for proposals initiated on, before or after the ef-18 fective date of this 2021 Act for which rulemaking is not necessary to 19 determine whether the procurement or request for proposals will 20 count toward compliance by an electric company with ORS 469A.210.".

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