



Senate Committee on Energy and Environment
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

February 2, 2022

Dear Chair Lieber, Vice-Chair Findley, and members of the committee,

The Oregon Solar + Storage Industries Association (OSSIA) is a trade association founded in 1981 to promote clean, renewable, solar technologies. OSSIA members include businesses, non-profit groups, and other solar industry stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar value chain; from workforce development to permitting, advocacy, policy, and regulation for manufacturing, residential, commercial, community, and utility scale solar and storage projects on the local, state and regional level.

OSSIA strongly supports passage of SB 1519. SB 1519 provides partial property tax relief to community solar projects in Oregon. Community solar projects provide unique benefits to Oregonians, as they are the only option in some cases for an individual, business or public entity to produce their own clean energy. Community solar projects have struggled financially and SB 1519 provides some relief to these projects.

What is Community Solar?

Simply put, community solar is shared solar energy generated by panels in a central location. That means no expensive installation process and no need to even own your own roof, making solar energy an option for both homeowners and renters. Here's how it works:

1. Customers subscribe to a solar project of their choosing. Solar projects can be developed by businesses, schools, churches, homeowners' associations, and more!
2. The solar project generates energy for the power grid.
3. Customers get a credit back on their utility bill for their portion of energy generated.
4. At least 10% of every project must be subscribed by low-income ratepayers.

Community Solar is the only program in Oregon that allows any PGE, Pacific Power, or Idaho Power ratepayer to produce their own clean energy, at or below what they currently pay for electricity.

What's the problem?



The Community Solar Program has faced challenges getting off the ground. One big challenge is simply financial viability – Community Solar projects are expensive to build with complicated methods of recouping expenses. While some projects have been successful, others are struggling to make it to completion.

What's the solution?

SB 1519 creates a partial property tax exemption for Community Solar projects, on the portion of the project that is subscribed by residential ratepayers. Projects have anywhere from 10-100% residential subscribers and most privately owned projects have between 10-50% residential subscribers.

Creating this partial property tax exemption mirrors the property tax exemption already exist for solar installed on homes or businesses.

SB 1519 will do the following:

1. Give community solar projects a partial property tax exemption from personal property tax in accordance to the proportion owned or leased by residential customers
2. Set the process for when the exemption can be taken – after the electrical inspection is complete – and how the exemption can be taken – filed before March 15, with the proportion of residential subscribers as of January 1.
3. Extends the property tax exemption for alternative energy systems – including those on homes and businesses – until 2029.

The -1 amendment clarifies that a building owner subscribing on behalf of their tenants counts as residential, and that a residential subscriber needs to **either** be an owner or tenant of residential housing **or** a building owner scribing on behalf of their tenants, not both.

SB 1519 provides support to these clean energy projects that increases access to solar, at a discount for low-income customers. Its passage will improve the likelihood that community solar is successful.

Sincerely,

Angela Crowley-Koch
Executive Director