

HB 3055 A STAFF MEASURE SUMMARY
House Committee On Climate, Energy, and Environment

Carrier: Rep. Andersen

Action Date: 03/29/23

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 8-2-0-0

Yeas: 8 - Andersen, Helm, Kropf, Levy B, Levy E, Marsh, Owens, Pham K

Nays: 2 - Osborne, Wallan

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/1, 3/29

WHAT THE MEASURE DOES:

Requires Oregon Public Utility Commission (PUC) to establish eligibility cap for standard avoided costs rates and contracts for the purchase of energy or energy and capacity from qualifying facilities at no less than 10 megawatts. Requires PUC to permit energy storage system to be paired with qualifying facility such that the energy storage system provides storage capacity for the energy produced by the small power production facility. Takes effect on 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Avoided costs rates
- Placement of small-scale renewable energy projects in Oregon
- Provisions of amendment

EFFECT OF AMENDMENT:

Requires Oregon Public Utility Commission (PUC) to establish eligibility cap for **standard avoided costs rates** and **contracts for the purchase of energy or energy and capacity** from qualifying facilities at no less than 10 megawatts. Removes requirement for PUC to establish eligibility cap for nameplate capacity for small power production facility that produces energy using solar or wind energy to qualify as qualifying facility at no less than 10 megawatts. Requires PUC to permit energy storage system to be paired with **qualifying** facility such that the energy storage system provides storage capacity for the energy produced by the small power production facility.

BACKGROUND:

The Public Utility Regulatory Policies Act of 1978 (PURPA) required the Federal Energy Regulatory Commission to adopt regulations for electric utilities to offer to purchase power from, and interconnect with, qualifying, non-utility energy generation projects. A “qualifying facility” is defined as a cogeneration facility or a small power production facility (ORS 758.505). According to the Oregon Department of Energy, a small power production facility generates 80 megawatts (MW) of electricity or less from renewable energy sources such as hydropower, wind, or solar.

House Bill 3055 A requires the Oregon Public Utility Commission to establish an eligibility cap for standard avoided costs rates and contracts for the purchase of energy or energy and capacity from qualifying facilities at no less than 10 megawatts.