

# House Bill 3524

Sponsored by Representative OWENS, Senator SMITH DB, Representative SMITH G; Representative HELM (at the request of Community Renewable Energy Association)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires 10 percent of electricity sold in this state by each electric company that makes sales to 25,000 or more retail electricity consumers to be generated by small-scale renewable energy facilities or certain biomass facilities.

## A BILL FOR AN ACT

1  
2 Relating to small-scale renewable energy; amending ORS 469A.210.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 469A.210 is amended to read:

5 469A.210. (1) The Legislative Assembly finds **and declares** that:

6 (a) [*community-based renewable energy projects*] **Small-scale renewable energy facilities**, in-  
7 cluding but not limited to marine renewable energy resources that are either developed in accord-  
8 ance with the Territorial Sea Plan adopted pursuant to ORS 196.471 or located on structures  
9 adjacent to the coastal shorelands, are an essential element of this state's energy future[.];

10 (b) **Small-scale renewable energy facilities are one of the integral parts of this state's**  
11 **emergency preparedness and, when paired with energy storage and other emerging technol-**  
12 **ogy, help ensure that electricity will be available during catastrophic natural disasters;**

13 (c) **A diverse portfolio of electricity generation facilities that includes small-scale**  
14 **renewable energy facilities helps reduce the risk of power outages and other technical and**  
15 **financial failures;**

16 (d) **A diverse portfolio of electricity generation facilities that includes small-scale**  
17 **renewable energy facilities helps reduce the need to construct transmission lines to supply**  
18 **electricity to retail electricity consumers from a single large-scale electricity generation fa-**  
19 **cility;**

20 (e) **Supplying electricity to retail electricity consumers that is generated by small-scale**  
21 **renewable energy facilities is necessary in order to meet the renewable portfolio standards**  
22 **established under ORS 469A.005 to 469A.210 and therefore necessary for improving this**  
23 **state's air quality and public health;**

24 (f) **Small-scale renewable energy facilities have a smaller footprint on the landscape than**  
25 **large-scale electricity generation facilities and, therefore, are more easily incorporated into**  
26 **existing infrastructure;**

27 (g) **There are substantial existing small-scale renewable energy facilities that have the**  
28 **potential to continue to produce renewable energy well into the future;**

29 (h) **There is substantial potential for adding small-scale renewable energy facilities; and**

30 (i) **Absent the requirement established in this section, electric companies might other-**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **wise procure electricity only from large-scale electricity generation facilities.**

2 (2) For purposes related to the findings in subsection (1) of this section, by the year 2030, at  
3 least 10 percent of the [*aggregate electrical capacity of all electric companies*] **electricity sold in this**  
4 **state by each electric company** that [*make*] **makes** sales of electricity to 25,000 or more retail  
5 electricity consumers in this state must be composed of electricity generated by one or both of the  
6 following sources:

7 (a) Small-scale renewable energy [*projects*] **facilities** with a generating capacity of 20 megawatts  
8 or less that **are not owned by a person that is an electric company and that** generate electricity  
9 utilizing a type of energy described in ORS 469A.025; or

10 (b) Facilities **that are not owned by a person that is an electric company and** that generate  
11 electricity using biomass **and** that also generate thermal energy for a secondary purpose.

12 (3) Regardless of the facility's nameplate capacity, any single facility described in subsection  
13 (2)(b) of this section may be used to comply with the requirement specified in subsection (2) of this  
14 section for up to 20 megawatts of capacity.

15 (4) **Beginning on the effective date of this 2023 Act and until the year 2030, and as nec-**  
16 **essary to comply with the requirements of subsection (2) of this section, an electric company**  
17 **subject to subsection (2) of this section shall make best efforts to continually increase the**  
18 **annual percentage of electricity sold in this state by the electric company that is generated**  
19 **by sources described in subsection (2)(a) and (b) of this section.**

20 (5) **The Public Utility Commission shall adopt rules as necessary to implement this sec-**  
21 **tion.**

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