

Joint Committee on Ways and Means subcommittee on Natural Resources Oregon State Capitol 900 Court St. NE Salem Oregon 97301

March 2, 2023

Dear Co-chairs Dembrow and Pham, 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 and storage industry stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar and storage value chains; 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 urges this committee to support the Oregon Department of Energy (ODOE) Policy Option Packages (POP) 202 and 203 to support the Solar + Storage Rebate program. The Oregon Legislature created the program in 2019 with overwhelming bi-partisan support and it has been extremely successful. As Director Benner stated, the rebate has been used for projects in 34 out of 36 counties, in some cases providing incentives to Oregonians who aren't eligible for any other type of state or federal incentives. As an industry, we're proud that 37% of rebate funds have benefited low-income ratepayers, expanding access to clean energy across the state.

We ask that you **build on the investment** made in the last two biennia and continue to fund this important program. POP 202 allows the remaining funds in the program to be spent, which is critical to make good on promises made through the program. In addition, OSSIA is working with ODOE to pass HB 3418 which extends the sunset for the program through 2029 and asks for an additional \$10 million for the program, in alignment with POP 203.

The program has been a huge success, with demand far outstripping supply. The rebates are especially critical for low and moderate-income ratepayers, who have difficulty paying the upfront costs for solar and may not be able to take advantage of federal tax credits, which are not currently refundable.

The rebate also created parity in solar incentives for ratepayers around the state. After the previous state incentive ended in 2017, customers outside of PGE or Pacific Power territory have not had access to state-based incentives for solar. The Solar + Storage Rebate Program included a higher incentive rate for those customers without access to other state incentives, creating a more level playing field.

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The program is the first state incentive that supports clean energy storage, therefore providing resiliency benefits. If a solar system is not paired with battery storage, the solar cannot provide electricity during an outage; it is connected to the grid and must discontinue generating power to protect workers restoring the grid. However, if solar is paired with battery storage, that home or low-income service provider receives power from the battery system, which was charged during the day by the solar system. The ability to have power during an outage provides our communities with resilience and makes us more prepared for emergencies. For example, in 2021 a solar + storage system in Springfield helped the home get through the outage caused by the Holiday farm fire. For full details on all projects that received rebates, please refer to <u>ODOE's September 2022 report</u> to the legislature.

The Solar + Storage Rebate has been a huge success. Extending and funding the program will allow customers to save money, keep the lights on during future outages, and produce their own clean energy. In addition, the program supports an industry made up of small businesses that employ Oregonians around the state.

OSSIA also supports ODOE POPs 102 to support energy research and analysis, which we need at ODOE. Our energy systems are becoming increasingly complex and new technology is arriving all the time. It often feels that we are building the plane as we're flying it! Access to outside research and analysis is critical at this juncture.

OSSIA also supports ODOE POP 401, for increased EFSC staff, if required. We appreciate ODOE planning for an increased staffing need, as we anticipate increased applications. However, it is important that those positions are not filled until the workload does increase.

Lastly, OSSIA supports ODOE POP 452, for a Community Engagement Specialist. With the passage of the two federal investment laws, more clean energy related federal funding and tax incentives are available for environmental justice communities. However, applying for that funding is challenging and technical; underserved communities should receive assistance to ensure that access to these funding opportunities is accessible and equitable.

Thank you for your support of these important requests for Oregon's clean and resilient energy future.

Sincerely,

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