



Joint Committee on Tax Expenditures
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

April 11, 2023

Dear Co-Chairs Meek and Nathanson and members of the committee,

The Oregon Solar + Storage Industries Association (OSSIA) is a trade association founded in 1981 to promote clean, renewable, solar and storage 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 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 supports passage of SB 54. SB 54 expands the existing 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 54 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.
5. Low-income ratepayers receive a mandatory 40% discount on the program (about a 20% bill discount).

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 54 expands the property tax exemption for Community Solar projects. The existing property tax exemption includes the portion of the project that is subscribed by residential ratepayers and SB 54 would expand that to all subscribers.

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

SB 54 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,

A handwritten signature in black ink that reads "Angela Crowley-Koch". The signature is fluid and cursive.

Angela Crowley-Koch
Executive Director