

April 14, 2023

Co-Chairs Meek and Nathanson, Vice-Chairs Boquist, Reschke, and Walters. For the record my name is Branden Pursinger, and I am the Legislative Affairs Manager for Natural Resource related issues with the Association of Oregon Counties.

The Association of Oregon Counties has taken a **Neutral Position** on SB 54.

Oregon created the Community Solar program with the passage of Senate Bill 1547 in 2016.

In 2022, the Oregon Legislature passed Senate Bill 1519 which granted a property tax exemption for a section of community solar projects that are owned by residential customers or leased by residential subscribers. However, at that time, commercial customers were not included. SB 54 attempts to create that same exemption for all community solar (residential and commercial).

The alternative energy system property tax exemption (ORS 307.175) exempts an alternative energy system from ad valorem property taxation if the system is a net metering facility (defined in ORS 757.300) or primarily designated to offset onsite electricity use.

Community solar is a distributed solar energy deployment model that allows customers to buy or lease part of a larger, off-site shared solar photovoltaic system and receive the benefits for their participation. According to the National Renewable Energy Laboratory, 22 states and Washington, D.C have passed some form of legislation enabling community solar; 19 of which (Oregon included) have placed a cap on the amount that can be installed in a given area. Oregon's cap is set at 3 megawatts statewide.

Today there are only 4 community solar projects that are operational and 25 have submitted project applications to be built.

Although with the passage of this bill counties would be unable to assess a property tax for the community solar that is built on the location, they would still be able to assess a property tax for the land itself. Because this is still an option, and the cap that Oregon has placed in statute, counties have agreed to be neutral on this bill and allow these needed projects to move forward.

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