



April 25, 2023

RE: Support for HB 3055A (Relating to qualified facilities)

Sustainable Northwest is writing to the Senate Committee on Energy and Environment to express our support for HB 3055A.

PURPA Standard Contracts for Qualified Facilities (QFs) provide a pathway for Oregon's farmers, landowners, small businesses and communities to participate in the economic, environmental and energy resilience benefits of developing small-scale solar energy projects. According to studies done by Oregon State University, the National Renewable Energy Laboratory and the Department of Energy, small-scale renewable energy projects return 3-5 times more to local communities than larger scale renewable energy projects. They are also an important contributor to meeting Oregon's clean energy targets pursuant to HB 2021.

The "avoided cost" rates paid to QFs for the power they generate help to make these small-scale projects financially feasible. At the same time, these rates are designed to be inherently ratepayer neutral, as they are calculated by utilities based on their avoided cost of not procuring this power from other sources.

HB 3055A seeks to raise the capacity "cap" for solar QF projects to receive avoided cost rates from 3MW to 10MW, consistent with the current cap for QF wind projects and the initial cap for QF solar projects that existed from 2005 to 2016. Due to changes in the current market landscape that favor larger scale projects, restoring the 10MW cap for solar QF projects is critical to ensuring that the benefits of small-scale solar energy can be enjoyed by Oregon communities and contribute to our state's clean energy goals.

For these reasons, Sustainable Northwest supports HB 3055A and encourages the legislature to advance this important legislation.

Sincerely,

A handwritten signature in black ink that reads "Dylan Kruse". The signature is written in a cursive, flowing style.

Dylan Kruse
Vice President
Sustainable Northwest