

HB 3863 STAFF MEASURE SUMMARY

House Committee On Climate, Energy, and Environment

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Meeting Dates: 3/27

WHAT THE MEASURE DOES:

The measure requires the Oregon Public Utility Commission to establish an eligibility cap at no less than 10 megawatts for the use of standard avoided costs rates and contracts for the purchase of energy or energy and capacity from qualifying facilities under the Public Utility Regulatory Policies Act of 1978. It takes effect on the 91st day following adjournment sine die.

- *FISCAL: No fiscal impact*
- *REVENUE: No revenue impact*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Utility Regulatory Policies Act of 1978 (PURPA) required the Federal Energy Regulatory Commission to adopt regulations for electric utilities to offer to purchase power from, and interconnect with, qualifying, non-utility energy generation projects. A “qualifying facility” is defined as a cogeneration facility or a small power production facility (Oregon Revised Statute 758.505). According to the Oregon Department of Energy, a small power production facility generates 80 megawatts of electricity or less from renewable energy sources such as hydropower, wind, or solar.