



From the Desk of
Senator
Janeen Sollman

Please Vote “Yes” on HB 3863!

HB 3863 raises the “standard rates” cap for qualifying solar facilities from the current 3 megawatts (MW) threshold to be aligned with the current cap of 10MW for wind projects and other renewable energy sources.

Raising the Standard Rate Threshold:

The Oregon Public Utility Commission (PUC) put the 3MW cap in rule in docket AR 631 during the boom period for small solar projects. The PUC lowered the cap to 3 MW for solar, keeping in place the 10 MW for wind. Since that time, the avoided cost rates have changed drastically and small solar projects are far less common than they were. Between 2005-2016 many developers were building projects under 3 MW. Now, the market has shifted and the only developers installing solar under 3 MWs currently are for community solar projects. In 2023, a similar bill almost passed, but did not move because the PUC said they would take action by rule. However, that has not yet happened and is not in the near-term schedule for PUC action. HB 3863 provides solar projects long-overdue parity with wind & hydro, benefiting solar projects between 3-10 MW.

Solar projects under 10 MW are mainly built by small developers or individual landowners or farmers. Having a “standard rate” allows these small businesses to avoid hiring attorneys to negotiate rates with the utilities; they’ll receive the standard avoided cost rate – “the amount the utility would pay if the utility were procuring comparable power.”¹ The avoided cost rate would result, and is intended to be cost-neutral to ratepayers.

This legislation will help the development of small renewable energy projects within the state of Oregon. Not only do they increase energy independence and resiliency, but small-scale community projects return 3-5 times more to the local communities than the larger scale renewable energy projects, according to studies done by Oregon State University, the National Renewable Energy Laboratory and the Department of Energy.

Please support this bipartisan legislation on the Senate Floor.

About CREA:

The Community Renewable Energy Association (CREA) is an ORS 190 intergovernmental association. Members include counties, irrigation districts, councils of government, project developers, for-profit businesses and non-profit organizations. CREA supports business and economic opportunities through renewable energy development in a competitive environment. We support creating economically and environmentally responsible electric generation within the State of Oregon.

¹ Oregon Department of Energy’s 2022 Small Scale Renewable Study