

Enrolled
House Bill 2065

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Climate, Energy, and Environment for Representative John Lively)

CHAPTER

AN ACT

Relating to the interconnection process; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2025 Act is added to and made a part of ORS chapter 757.

SECTION 2. (1) As used in this section:

(a) “Community microgrid” means a microgrid that is located within a geographical area that a local government, as defined in ORS 197.015, designates as a microgrid zone.

(b) “Microgrid” means a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that functions as a single controllable system, irrespective of whether the microgrid is operating independently of or in conjunction with an electric grid.

(c) “Public utility” means a utility regulated by the Public Utility Commission under ORS chapter 757 that provides electric power to consumers.

(d) “Technical data” includes:

(A) Substation and circuit load profiles;

(B) Geographic information system maps of utility infrastructure;

(C) Equipment specifications, age and capacity ratings;

(D) The maximum amount of power that can be added to a distribution system without requiring infrastructure upgrades for distributed energy resources;

(E) Protection coordination schemes and fault current data; and

(F) Standards, tariffs and technical requirements for interconnection.

(2) When a person applies to a public utility for authority to interconnect a microgrid or community microgrid with the public utility’s transmission or distribution system and the public utility concludes that the proposed interconnection requires a study or engineering evaluation, the person shall have the option to:

(a) Agree to have the public utility conduct the study or evaluation; or

(b) Contract with a third-party consultant to conduct the study or evaluation, subject to the public utility’s reasonable review and approval of the study or evaluation.

(3) A person that agrees to have the public utility conduct the study or engineering evaluation under subsection (2) of this section shall reimburse the public utility for the reasonable costs incurred by the public utility in performing the study or evaluation.

(4) A public utility may, as a technical collaborator, contract with a third-party consultant to conduct the study or engineering evaluation requested under subsection (2) of this section.

(5) A report that is produced from a study or engineering evaluation conducted under subsection (2) of this section and has received a professional engineer stamp approving the report shall be considered a final report for purposes of review by a public utility of an application to interconnect a microgrid or community microgrid with the public utility's transmission or distribution system.

(6)(a) If a person contracts with a third-party consultant to conduct a study or evaluation under subsection (2)(b) of this section, the third-party consultant may submit a written request to a public utility for all technical data necessary to conduct the study or evaluation. The public utility shall provide the technical data:

(A) Within 21 days from the date of the request; and

(B) In a standardized, machine-readable format, except as otherwise agreed.

(b) A public utility may redact data from the technical data that the public utility provides if disclosure of the data jeopardizes grid security or violates federal or state law. If a public utility redacts data, the public utility shall provide a mutually acceptable alternative that enables the third-party consultant to conduct the study or evaluation.

(c) A public utility shall clearly identify information the public utility provides that is proprietary.

(d) A public utility shall designate a liaison who is available to clarify data, resolve ambiguities and explain technical requirements during the design phase.

(e) A public utility may charge for the reasonable and actual costs incurred by the public utility in preparing and providing technical data under this subsection.

(7)(a) A third-party consultant who is conducting a study or evaluation under subsection (2)(b) of this section may submit to a public utility a preliminary design for review by the public utility. The preliminary design may include proposed microgrid and distributed energy resources specifications and alignment with technical data.

(b) A public utility shall provide within 30 days from the date a preliminary design is submitted written feedback on the preliminary design that identifies potential compliance issues or modifications to the design that are needed.

(c) A third-party consultant may incorporate feedback and submit an interconnection application along with a final report to the public utility.

(d) A public utility may not charge for conducting a preliminary design review under this subsection.

(8)(a) A public utility has sole authority to approve or deny an application to interconnect a microgrid or community microgrid with the public utility's transmission or distribution system under this section. The decision to approve or deny an application must be based on safety, reliability and compliance with published standards.

(b) In reviewing applications under this section, a public utility shall prioritize the review of applications that are based on designs that adhere to and incorporate published standards, technical data provided by the public utility and feedback provided under subsection (7) of this section. A public utility shall approve or deny an application that is given priority under this paragraph within 90 days from the date the application is submitted to the public utility.

(9) This section does not apply to an interconnection between a microgrid or community microgrid and a public utility that is subject to the jurisdiction of the Federal Energy Regulatory Commission.

SECTION 3. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 1 (1), chapter __, Oregon Laws 2025 (Enrolled House Bill 5034), for the biennium beginning July 1, 2025, for the utility program, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, but excluding lottery funds and federal funds, collected or received by the Public Utility Commission of Oregon, is increased by \$335,136 for the purpose of carrying out section 2 of this 2025 Act.

SECTION 4. This 2025 Act takes effect on the 91st day after the date on which the 2025 regular session of the Eighty-third Legislative Assembly adjourns sine die.

Passed by House June 23, 2025

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Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

Passed by Senate June 24, 2025

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Rob Wagner, President of Senate

Received by Governor:

.....M,....., 2025

Approved:

.....M,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M,....., 2025

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Tobias Read, Secretary of State