

## HOUSE AMENDMENTS TO HOUSE BILL 2066

By COMMITTEE ON CLIMATE, ENERGY, AND ENVIRONMENT

April 15

On page 1 of the printed bill, delete lines 4 through 28 and delete page 2 and insert:

**“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-based organization’ means an organization with demonstrated efficacy that is representative of a community or specific segments of a community and serves to meet the community’s needs.**

**“(b) ‘Community microgrid’ means a microgrid that is located within a geographical area that a local government designates as a microgrid zone under section 7 of this 2025 Act.**

**“(c) ‘Electric company’ has the meaning given that term in ORS 757.600.**

**“(d) ‘Front-of-meter’ means the utility side of a transmission or distribution system in reference to a customer’s meter.**

**“(e) ‘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.**

**“(f) ‘Microgrid operator’ means an entity that is responsible for operating a microgrid, including coordinating the operations of the microgrid resources.**

**“(2) The Public Utility Commission shall conduct an investigation and establish a regulatory framework for allowing the ownership, deployment and use of microgrids and community microgrids within the service territories of electric companies.**

**“(3) The regulatory framework established under this section must:**

**“(a) Take into consideration the benefits and constraints of deploying microgrids and community microgrids.**

**“(b) Take into consideration the role of microgrids and community microgrids in supporting economic growth, innovations around zero emissions energy and reliable electricity service.**

**“(c) Take into consideration different approaches to designing, deploying and operating microgrids or community microgrids that serve a single customer or multiple customers.**

**“(d) Provide for interconnection standards and requirements.**

**“(e) Provide for safety and performance standards.**

**“(f) Utilize an application and approval process that is accessible.**

**“(g) Include a framework for compensation and cost allocation that recognizes the value microgrids and community microgrids provide to all electricity customers, the electric grid and local users of the electric grid. The framework for compensation and allocation must take into consideration:**

1       “(A) The reliability and resilience services that a microgrid or community microgrid  
2 provides to a transmission or distribution system and to a community in which the microgrid  
3 or community microgrid is located.

4       “(B) A microgrid or community microgrid’s ability to operate in parallel to a trans-  
5 mission or distribution system as a resource pursuant to a tariff rate.

6       “(h) Include a methodology for compensating an owner, subscriber or developer of a  
7 microgrid or community microgrid for the value that the microgrid or community microgrid  
8 provides. The methodology must:

9           “(A) Incorporate the value of lost load during a public safety power shutoff; and

10          “(B) Include a schedule of avoided costs of a utility that reflects the value of the energy  
11 generated or saved by a microgrid or community microgrid.

12          “(i) Allow excess energy generated by a microgrid or community microgrid to be sold to  
13 a utility on a nondiscriminatory basis.

14          “(j) Allow an owner or operator of a microgrid or community microgrid to incorporate  
15 front-of-meter energy resources that are owned or operated by a utility, third-party devel-  
16 oper, local or tribal government or community-based organization.

17          “(k) Allow an electric company to partner with municipalities, businesses or communities  
18 to develop microgrids that improve resilience or mitigate the need for infrastructure up-  
19 grades.

20          “(L) Provide for a standard for reasonable shared costs for community energy resilience  
21 that is provided by a community microgrid that allow for owners or operators of a commu-  
22 nity microgrid to recover the costs for designing, constructing or maintaining the commu-  
23 nity microgrid from customers who use:

24           “(A) The microgrid;

25           “(B) The distribution system located within a microgrid zone designated under section 7  
26 of this 2025 Act within which the community microgrid is located; or

27           “(C) The distribution system local to the community microgrid.

28          “(m) Allow for redundant infrastructure that supports community microgrids.

29          “(n) Provide for the approval of a community microgrid if the community microgrid en-  
30 hances local energy resilience and is capable of supporting critical infrastructure during and  
31 after an emergency, natural disaster or disruption to the electric grid or energy supply.

32          “(o) Allow a community microgrid operator to operate one or more community micro-  
33 grids independently from the electric grid system.

34          “(p) Provide standards for coordination and collaboration between microgrid operators  
35 and electric companies in the operation of microgrids and community microgrids.

36       “SECTION 3. The Public Utility Commission shall complete the investigation and estab-  
37 lish a regulatory framework under section 2 of this 2025 Act not later than 18 months from  
38 the effective date of this 2025 Act. In conducting the investigation, the commission shall  
39 consult with appropriate local, state and federal agencies.

40       “SECTION 4. Section 5 of this 2025 Act is added to and made a part of ORS chapter 455.

41       “SECTION 5. (1) As used in this section:

42          “(a) ‘Community microgrid’ means a microgrid that is located within a geographical area  
43 that a local government designates as a microgrid zone under section 7 of this 2025 Act.

44          “(b) ‘Microgrid’ means a group of interconnected loads and distributed energy resources  
45 within clearly defined electrical boundaries that functions as a single controllable system,

1 irrespective of whether the microgrid is operating independently of or in conjunction with  
2 an electric grid.

3 “(2) The Department of Consumer and Business Services shall adopt rules to the state  
4 building code that support the integration of buildings with community microgrids.

5 “SECTION 6. Section 7 of this 2025 Act is added to and made a part of ORS chapter 197.

6 “SECTION 7. (1) As used in this section:

7 “(a) ‘Community microgrid’ means a microgrid that is located within a geographical area  
8 that a local government designates as a microgrid zone under to this section.

9 “(b) ‘Consumer-owned utility,’ ‘electric company’ and ‘governing body’ have the meanings  
10 given those terms in ORS 757.600.

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

15 “(2) A local government may:

16 “(a) Adopt land use regulations that correspond to microgrid zones to encourage devel-  
17 opment that is compatible with microgrids and community microgrids.

18 “(b) Designate a geographical area based on existing electric service infrastructure lo-  
19 cated within the jurisdiction of the local government as a microgrid zone, subject to the ap-  
20 proval of:

21 “(A) The Public Utility Commission, if the microgrid zone is located within the service  
22 territory of an electric company; or

23 “(B) The governing body of a consumer-owned utility, if the microgrid zone is located  
24 within the service territory of a consumer-owned utility.

25 “(c) Enter into an intergovernmental agreement with one or more local governments to  
26 designate a geographical area based on existing electric service infrastructure located within  
27 and across the jurisdictions of the local governments as a microgrid zone, subject to the  
28 approval of:

29 “(A) The commission, if the microgrid zone is located within the service territory of an  
30 electric company; or

31 “(B) The governing body of a consumer-owned utility, if the microgrid zone is located  
32 within the service territory of a consumer-owned utility.

33 “SECTION 8. This 2025 Act takes effect on the 91st day after the date on which the 2025  
34 regular session of the Eighty-third Legislative Assembly adjourns sine die.”.