

**BY THE
NUMBERS:**

100%

of Oregon's energy to be generated from clean, renewable sources by 2040

HB 2064

Islanding Capabilities for Front-of-Meter Community Microgrids

HB 2065

Third Party Participation in Energy Planning and Development

HB 2066

Establishing Clarity Around Legality, Valuation, and Financing of Microgrids

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Number of community-owned front-of-meter microgrids operating in Oregon today*

Tier 3

Classification of Oregon's microgrid policies, falling behind over half of states nationwide*

ADVANCING HOUSE BILLS 2064, 2065, AND 2066

Energy resilience has become a top priority for communities in Oregon. Why?

- Increasing grid disruptions from wildfires, extreme weather, and earthquakes;
- Unprecedented growth on the state's grid, especially from large energy users like data centers; and
- A need to lower energy costs and reliance on fossil fuels.

Microgrids are a solution that enable communities to respond to and recover from grid disruptions more quickly, especially in rural Oregon. HBs 2064, 2065, and 2066 will create more energy efficiency, independence, and grid reliability while helping us meet clean energy mandates.

BARRIERS FACING MICROGRID DEVELOPMENT

Despite Oregon's ambitious decarbonization goals, regulatory hurdles are preventing widespread microgrid development. Local communities need:

- (1) Regulatory clarity about who can develop, own, and manage microgrids;
- (2) Long-term funding mechanisms to finance projects; and
- (3) Internal funding, capacity, and expertise to plan and develop microgrids.



WHAT IS A MICROGRID?

Microgrids are local, self-contained energy systems designed to operate independently of the larger power grid (known as 'islanding'), or in coordination with it. This allows systems to continue delivering power even during a grid disruption. Microgrids can also fill capacity shortages during peak demand times by feeding the grid, which benefits not only the local community, but the region as a whole.

"Wallowa County's proposed microgrid will help our community mitigate long-term power outages from extreme weather events to critical infrastructure. Our focus is rooted in serving our underserved, rural community by reducing reliance on large-scale, distant, centralized energy resources while minimizing environmental impacts."

Joe Basile, Community Energy Program Manager for Wallowa Resources

OREGON'S MICROGRID FUTURE

The time is now to capture the true value of microgrids. HBs 2064, 2065, and 2066 will enable local microgrid developers to monetize and scale projects that achieve diverse public benefits, grid stability, and community resilience across Oregon.

CHALLENGE

Public Power Agreements make it difficult for community microgrids to switch on and off from the grid to divert power to critical infrastructure during disruptions.



The exclusion of third-party interconnection and engineering review muddles messaging around O&M costs and ratepayer impacts.



A lack of transparency around ownership rights stifles projects before they have even left the whiteboard.



Avoided costs, or the value utilities compensate for locally-generated electrons, are artificially low for small scale renewables.



SOLUTION

HB 2064 provides guidance on grid disconnection processes and puts more decision-making power in the hands of local emergency management teams.

HB 2065 addresses these bottlenecks in the energy planning process to get more projects built and meet the state's clean energy goals.

HB 2066 requires PUC to establish legal clarity and compensatory mechanisms to support community-scale microgrid development and resiliency strategies.

HB 2066 directs utilities to pay the real value of locally-produced clean energy.



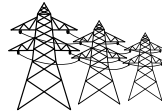
THE ROAD AHEAD

To achieve a resilient and thriving clean energy future, Oregon's counties, cities, and Tribal governments must be able to:

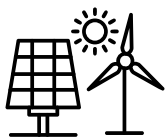


Assess their own energy resilience needs

Plan & Implement community microgrid projects



Partner with private entities or utilities in microgrid development



Operate during both normal conditions and emergencies



Sustainable Northwest and its partners believe that widespread microgrid development is an important strategy to increase energy resilience in rural and Tribal communities. We are working to overcome barriers and empower Oregonians to take control of their energy futures.



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*Sources: 1.) <https://www.utilitydive.com/news/us-microgrid-market-wood-mackenzie/642341/> 2.) <https://www.woodmac.com/press-releases/us-microgrid-market-develops-at-rapid-pace-with-capacity-reaching-10-gw-in-2022/> 3.) <https://www.microgridknowledge.com/distributed-energy/article/11427239/top-states-for-microgrid-policy-activity-new-think-microgrid-report-scores-them>