



## SB 827: Adding Storage Pathway to Oregon Solar + Storage Rebate Program

### Background and Need for Legislation

The Oregon Solar + Storage Rebate Program was established by the Oregon Department of Energy at the direction of HB 2618, which was passed by the Oregon State Legislature in 2019. The legislation called for the department to adopt a program to provide rebates for the purchase, construction, or installation of solar electric systems and paired solar and storage systems.

Program rebates are issued to participating contractors and are passed on to customers as a reduction in the price of the installed system. The legislature directed the department to make at least 25 percent of the rebate budget available for projects installed for low- and moderate-income residential customers and low-income service providers. Low-income service providers are a specific group of non-residential customers that provide services to individuals and households with low or moderate incomes.

The Oregon Solar + Storage Rebate Program advances Oregon energy policy by helping reduce the upfront costs associated with the purchase and installation of solar energy and solar plus storage energy storage systems. The Legislature has directed \$27 million to this program since 2019. As of January 7, 2025, 6,950 projects have either received or reserved rebates in 34 Oregon counties, a state investment of over \$23.6 million supporting over \$275 million in total project costs.

The current Oregon Solar + Storage Rebate Program provides incentives for battery storage systems only when they are coupled with new solar installations. Energy storage systems can provide multiple benefits to Oregonians, including improved energy resilience during power outages, reduced use of fossil fuel generators, and the potential to provide services to the grid that could lower costs for utilities to meet peak load needs and thereby ratepayer costs. Battery storage is expensive to add to a home, and unlike solar, batteries do not currently provide any payback in the form of savings on energy bills. Most homeowners must choose between a gasoline generator or solar coupled with storage to have backup power at their homes. In most cases, a gasoline generator is the lower cost option. There are more than 20,000 residential solar installations in Oregon without battery storage. A rebate to help offset the costs of adding battery storage could help more Oregonians access home battery technology as backup power, adding to their resilience and preventing pollution.

### Proposed Solution

Modify the Oregon Solar + Storage Rebate Program to provide a financial incentive for battery storage systems that are coupled with existing solar installations on residences and low-income service provider properties. This would enable the benefits of battery storage systems to be realized in more Oregon households and support Oregon jobs in the solar plus storage industry. An additional change included in the bill, is the ability for ODOE to adopt by rule provisions for consumer protection.

### Expected Fiscal Impact

The Oregon Solar + Storage Rebate Program is funded by the General Fund, and the proposed battery storage incentive would be offered within the existing program budget. Last year, ODOE recommended an additional \$20 million in General Fund for the next biennium.

### Contact

Christy Splitt - Government Relations Coordinator - [christy.splitt@oregon.gov](mailto:christy.splitt@oregon.gov) - 503-510-4473