

Background and Need for Legislation

In 2021, the legislature passed [House Bill 2021](#), which included a \$50 million fund at ODOE to provide grants for planning and developing community renewable energy projects and energy resilience projects with a renewable energy component.

The Community Renewable Energy Grant Program is open to Oregon Tribes, public bodies, and consumer-owned utilities. Public bodies include counties, municipalities, and special government bodies such as ports and irrigation districts. Grants are awarded on a competitive basis and priority is given to projects that support program equity goals, demonstrate community energy resilience, and include energy efficiency and demand response. At least half of the grant funds are awarded for projects that serve environmental justice communities, including communities of color, lower-income communities, rural communities, and others. Similarly, at least half of the grant funds are awarded to projects that support community energy resilience.

The program has been a success so far and the need for funding renewable energy projects is evident. Over \$93 million in application requests were received for \$42 million in funding. While working with eligible applicants, we have heard about the need for funding for energy resilience-only projects in addition to the types of projects that the program is currently able to support.

With the recent increase in power outages and damage from extreme weather, the need for funding for energy resilience-only projects is clear; consumer-owned utilities have been vocal about their needs and the lack of resources to meet them. The new federally funded Grid Resilience Program could provide funding, but for some smaller utilities, the match requirements are a barrier. Further, limitations on renewable energy development placed on many consumer-owned utilities have left the Community Renewable Energy Grant Program underutilized by an important intended audience.

Proposed Solution

Instead of creating new programs to take on this work, using a successful, existing program is more efficient. The Bill updates the Community Renewable Energy Grant Program statute to allow for grants of up to \$250,000 for energy resilience-only projects, in addition to existing grant opportunities for renewable energy and renewable + resilience projects. To continue to support renewable energy projects, these new allowable projects could be limited to 20 percent of the total budget for the program to gauge interest and need. The Bill would also change the name of the fund associated with the program to reflect a focus on resilience.

Expected Fiscal Impact

These program changes could require an additional staff member to support the development of new program rules, forms, and other materials, as well as application review once the new program elements are launched.

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