



House Committee on Climate, Energy and the Environment
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

February 13, 2025

Dear Chair Lively, Vice-chairs Gamba and Levy, and members of the committee,

The Oregon Solar + Storage Industries Association (OSSIA) is a trade association founded in 1981 to promote clean, renewable, solar technologies. OSSIA members include businesses, non-profit groups, and other solar and storage industry stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar and storage value chains; from workforce development to permitting, advocacy, policy, and regulation for manufacturing, residential, commercial, community, and utility scale solar and storage projects on the local, state, and regional level.

OSSIA supports the concept in HB 2656 and in general we support strengthening net metering. Net metering was signed into law in 1999 and has been helping Oregon ratepayers to go solar and save money on their bills ever since. However, things have changed a bit since 1999 and the net metering program could use some updates.

Net metering is the program that allows homeowners and commercial building owners to install solar on their roofs or property. Net metering is a billing mechanism that credits solar energy system owners for the electricity they add to the grid. For example, if a residential customer has a PV system on their roof, it may generate more electricity than the home uses during daylight hours. If the home is net-metered, the electricity meter will run backward to provide a credit against what electricity is consumed at night or other periods when the home's electricity use exceeds the system's output. Customers are only billed for their "net" energy use. On average, only 20-40% of a solar energy system's output ever goes into the grid, and this exported solar electricity serves nearby customers' loads.

Net metering has been a very effective program and a perfect example of a public-private partnership. The home or business owner provides the upfront cost to install solar but the benefits of that solar are shared by that customer, the local grid and all utility customers. While the solar customer receives bill savings, the utility's grid sees the benefits as it reduces the need to transport electricity over the long distances, freeing up space on the grid. PGE and Pacific Power also have



clean energy goals to meet and net metered solar means less coal on the grid. When net metered solar is paired with battery storage it allows that home or business to keep the lights on during an outage, increasing resiliency in the community when you can store your medicine in your neighbor's refrigerator!

Currently, net metered customers are only allowed to have solar systems that are sized to meet their own electric usage and are not allowed to intentionally size a system larger than they need. Rep. Evans' bill would change that and allow a customer to increase the size of their solar system and then sell the excess generation back to the utility. This change could increase solar's benefits to the grid by reducing the amount of power that needs to be imported.

There are several other changes to the net metering program that would increase its value. There is currently a limit on residential system sizes which is outdated and can create a barrier for some systems that want to install storage. Doubling that current limit would go a long way to making battery storage paired with solar more widespread.

Larger net metered projects also face barriers. A school, multifamily housing, or hospital complex can cross different streets and have multiple meters and utilities often will not treat the complex as one organization with a total power usage. This makes putting a project together more challenging.

OSSIA also believes that net metering agreements with utilities should last as long as the solar panels themselves. Most solar panels have a 20-year warranty and a 25-30 year lifespan. Net metering agreements with utilities should last 25 years in order to allow the customer to maximize their return on investment.

Lastly, and most importantly, net metering should continue to exist as is. PGE floated an idea to weaken net metering that was met with resounding opposition from the communities and businesses. It makes no sense to change a program that is effectively providing clean, resilient energy and bill savings to customers at a time when utility rates are rising every year. Both PGE and PacifiCorp are not on track to meet their clean energy goals, so it makes no sense to reduce the benefits of net metering at a time when we need them most.

This is a critical time to ensure that Oregon's net metering program is strengthened. Several policies are aligning right now that have expanded solar access to low- and moderate-income ratepayers. The price of solar has dropped dramatically while the incentives available for low- and moderate-income homeowners have increased. OSSIA has seen this increased access in Oregon, since 39% of the Solar



+ Storage rebate program funding has gone to low- and moderate-income homes. However, there is a very real danger that federal solar incentives could be cut. If that were to happen it would be challenging for middle income households to go solar. Again, now is a time to strengthen net metering, so we can continue to increase access.

If Oregon adopts policies to strengthen net metering it will continue to keep bills savings available to customers at all income levels, while cleaning up our power supply and reducing demand on the grid.

Sincerely,

A handwritten signature in black ink that reads "Angela Crowley-Koch". The signature is fluid and cursive.

Angela Crowley-Koch
Executive Director