Senate Committee on Energy and Environment Oregon State Capitol 900 Court St. NE Salem Oregon 97301



March 24, 2025

**From:** Community Renewable Energy Association - CREA **Subject:** Testimony in support of SB 1178

Honorable Chair Sollman, Vice-Chairs Brock Smith, and Members of the committee:

I'm writing in support of <u>SB1178</u>, on behalf of the Community Renewable Energy Association (CREA). CREA is an ORS 190 intergovernmental association. Members include counties, irrigation districts, councils of government, project developers, for-profit businesses and non-profit organizations. CREA supports business and economic opportunities through renewable energy development in a competitive environment. We support creating economically and environmentally responsible electric generation within the State of Oregon.

CREA hopes to see SB 1178 change the requirement in ORS 469A. 210 so that the 10% of small projects required by 2030 be measured by Generation, instead of Capacity as it is currently written in statute.

Since the Renewable Portfolio Standard (RPS) was passed in 2007, CREA has been working to see IOUs held accountable to moving forward on connecting small-scale renewable projects in Oregon to the transmission system.

CREA's involvement with the 8% provision goes back to the passage of SB 838, which originally established Oregon's first RPS in 2007. CREA supported the requirement that 8% of an IOU's renewable power come from small-scale renewable energy projects built in-state. Since then, the legislature passed SB-1547 in 2016.

CREA again came to the table in an attempt to ensure the legislative intentions in 2008 were accomplished, and was able to help in turning the 8% goal into a mandate. However, last minute legislative action changed what had been simple and straightforward.

The 8% measurement of Oregon's energy sales from community-based renewables was turned into a capacity rather than an energy sales metrics (or actual generation). The 8% was raised to 10% in a subsequest session. The current statute now mandates 10% come from small scale - measured by capacity (one-third of generation).

From <u>ODOE's website</u>, "Nominal electric generating capacity means the maximum net electric power output of an energy facility based on the average temperature, barometric pressure and relative humidity at the site during the times of the year when the facility is intended to operate.

Average electric generating capacity means the peak generating capacity of the facility divided by one of the following factors:

- For wind or solar energy facilities, 3.00
- For geothermal energy facilities, 1.11
- For all other energy facilities, 1.00"

Capacity factors are influenced by factors like wind availability, turbine size, and transmission line capacity. By measuring the 10% by capcity, it is effectively 3 times less than that which would be required if the measurement was by generation.

Small, local investor PUPRA projects are important to Oregon, and especially rural Oregon because of investment and stable employment for the local communities. They bring good-paying jobs, provide another potential money generator for landowners, and projects pay taxes or fees to counties that support their local public services.

CREA would like to see the 10% measured by generation. To triple the amount of energy that the IOUs have to source from small-scale renewable projects in Oregon.

Please support passage of SB 1178. Thank you for your time and consideration on this matter.

Sincerely, Jun Wille

James Williams CREA Executive Director