

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

March 26, 2025

Chair Sollman, Vice-chair Brock Smith 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 urges this committee to pass SB 1160 in order to get a true understanding of the costs and benefits of small-scale renewables projects. This committee heard the need for this study during Monday's hearing on SB 1178, the small-scale renewable requirement. Utilities claim small-scale renewables are expensive, but they are using information from a decade ago when solar was much more expensive than it is now. Oregon needs an objective study using current data to actually understand the costs and cost savings from small-scale renewables.

Solar is now the cheapest form of energy in the United States. Small-scale solar projects provide financial benefits that larger projects may not, and these cost savings have never been truly accounted for. The biggest portion of cost savings are a result of more efficient transmission and distribution.

Most – if not all - small-scale projects that Oregon utilities would purchase power from would be located in-state. When electricity generation sources are located close to energy demand it reduces the costs of shipping energy in from far away. As electricity moves, some of that energy is lost along the way due to something called "line loss." While there are different types of line loss, it can be thought of like friction or resistance as electricity moves along the lines. In general, the farther electricity moves, the more of it is lost due to line loss. When small projects are close to the energy demand, there is energy saved with less line loss.

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Small projects also reduce congestion on transmission lines. Most small scale projects do not even use the transmission system – they just connect to the distribution system, using the same small electrical wires and poles you see outside this building. If you've ever driven past the solar project on the east side of I-5 near Woodburn/Aurora, you'll see that it is just connected to regular utility poles. This frees up capacity on those larger transmission lines for electricity traveling longer distances.

These are just two examples of cost savings that are not accurately reflected in the utilities' claims. Since the previous Oregon Department of Energy study did not explore this cost issue, an additional study focused on cost is required.

Small-scale renewable projects should be encouraged and supported in Oregon. Small- scale projects fit well with our land-use system and have been built over the years on lands that are not productive. In fact, there is a bill in the House (HB 3346) to study using "pivot corners," or the corners of fields without irrigation, to site renewables. Those corners are unproductive, and in areas with no additional water, will always be. Small projects are perfect for areas like these, but utilities have no incentive to purchase power from these projects.

Please support SB 1160 in order to get to the truth about the actual costs and benefits of small-scale renewable projects.

Sincerely,

Angela Crowley-Koch Executive Director

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