ADOPTED BILLS – 2007 LEGISLATURE

RENEWABLE ENERGY

Renewable Energy Act -- SB 838

- Portfolio standard: Requires that 25% of Oregon's electric load come from new renewable energy by 2025 -- 5% by 2011, 15% by 2015 and 20% by 2020. The 25% by 2025 requirement applies to electric utilities and service suppliers that serve at least 3% of load, which covers Oregon's three largest electric utilities and over 75% of the electric load (depending on load growth, ODOE expects this will cover most of the new resources needed to meet these utilities' new load). Utilities may comply by building resources and, to an extent, buying renewable energy certificates (green tags).
- Establishes a state goal to achieve 8% of Oregon's electricity from projects less than 20 megawatts (MW) in capacity by 2025, and requires Energy Trust's renewable energy funds to be limited to projects of this size after 2007.
- Eligible generating facilities do not have to be located in Oregon but at least 80% of the electricity from these resources must serve Oregon loads.
- Authorizes investor-owned utilities to fund energy conservation beyond the public purpose charge.
- Extends public purpose charge to 2026.

Tax credits

HB 3201 – BETC

- Increases BETC for renewable energy systems from 35% to 50%
- Increases project cost limit from $10 million to $20 million
- Costs of constructing facilities to manufacture renewable energy systems and components are eligible for credit
- Combined heat and power projects are eligible
- Increases the size of eligible hydro projects from 1 to 10 MW if projects meet state and federal fish and wildlife requirements
- Repeals offset of federal tax credits
- Clarifies that investor-owned utilities may serve as pass-through partners
- Provides incentive to builders of high-performance homes
- Makes homebuilders eligible for RETC-level credit for renewable energy systems.
- Applies to any project constructed or installed after January 1, 2007

HB 3201 – RETC

- Allows RETC for more than one qualifying renewable item in the same year
- Allows RETC for multiple energy-efficient appliances
- Increases maximum credit for fuel cells and wind generation from $1,500 to $6,000 over four years
- Applies to any project constructed or installed after January 1, 2007

SB 819 -- Kicker

- Revises tax code so purchasers of tax credits do not have the value of their tax credits reduced by a kicker refund

Solar

HB 3488 -- incentives

- Expands residential property tax exemption for solar to business and other uses of solar and other renewable energy systems, including systems used for net metering.
- Exemption sunsets July 1, 2012.
- Authorizes OPUC to establish tariffs and rules to encourage IOUs to invest in renewable energy

HB 2620 -- Solar in public buildings

- Requires state and local government to devote at least 1.5% of the cost of constructing a new building or renovating an existing building to solar if the building gets state funds
- Passive solar qualifies if it reduces energy use by at least 20%
- ODOE will establish rules and forms

Biofuels

HB 2210 -- development

- Package of measures to encourage development, distribution and use of agricultural and forest material for biofuels for electricity and other energy use

SB 814 -- tax credit

- Removes corn grain as an eligible feedstock from the biofuel producer tax credit
- Delays for two years eligibility of wheat for the producer tax credit.

Ocean energy

SB 875 --

- Authorizes Department of State Lands to develop rules for wave energy facilities
- Clarifies that ocean wave energy is distinct from hydro and qualifies for BETC.

HB 2925 -- licensing exemption

- Wave energy projects in Oregon's jurisdiction are exempt from Water Resources Department licensing requirements if project is 5 MW or less and a federal license is not required under the Federal Power Act

House Joint Memorial 22 --

- Supports wave energy; expresses concern about lack of federal agency coordination, urges Congress to establish a wave energy review process

Renewable hydrogen -- House Resolution 1

- Supports renewable energy sources of hydrogen and recommends it be a top priority for state research, policy and programmatic initiatives.
- Encourages private - public partnerships like the Northwest Hydrogen Alliance.

ENERGY EFFICIENCY

Supplemental efficiency funds

- SB 838 authorizes investor-owned utilities to fund energy conservation beyond the public purpose charge.

Appliance efficiency

SB 375 --

- Establishes efficiency standards for certain appliances and electrical equipment, based on standards adopted by California and other states.
- Covers bottle-type water dispensers, commercial hot food holding cabinets, compact audio products, digital versatile disc players and recorders, portable electric spas, and walk-in refrigerators and freezers.
- Gives ODOE rulemaking authority to adopt additional efficiency standards under certain circumstances.

HB 2565 --

- Makes technical changes to two classes of equipment adopted in 2005 efficiency standards, to bring Oregon in line with California: single-voltage external AC to DC power supplies, and to incandescent reflector lamps
- Authorizes ODOE rulemaking to modify equipment efficiency standards to be consistent with standards and timing of standards in adjoining states

School light fixtures -- SB 479

- Requires schools to remove all R-type metal halide or mercury vapor light bulbs with T-type bulbs or alternative lighting such as fluorescent lights by January 1, 2008

Outdoor lighting brightness study -- HB 2628

- ODOE to evaluate energy efficiency and night brightness impacts of state statutes and building codes regarding outdoor lighting. Report due October 1, 2008.

OTHER

Global warming -- HB 3543

- Adopts greenhouse gas reduction goals: by 2010, begin reducing emissions; by 2020, reduce 10% less than 1990 levels; and by 2050 reduce 75% below 1990 levels
- Establishes Global Warming Commission to make recommendations to meet the emissions reduction targets, examine cap and trade systems, develop educational strategy, track global warming impacts on Oregon, etc.
- Creates Oregon Climate Research Institute in the Oregon University System.

Low Income energy assistance -- SB 461

- Increases from $10 million to $15 million/year the amount paid by PacifiCorp and PGE to the Department of Housing and Community Assistance for low income energy assistance (in addition to the public purpose charge).

Bonds for energy loans – HB 5005

- Authorizes state agencies to issue bonds, including $150 million for the Energy Loan Program for renewable energy and energy efficiency ($25 million more than previous biennium) and $35 million in new loans for university and community college energy-saving projects.