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Statute: ORS 469A - Renewable Portfolio Standards

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DEFINITIONS

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(1) "Banked renewable energy certificate" means a bundled or unbundled renewable energy certificate that is not used by an electric utility or electricity service supplier to comply with a renewable portfolio standard in a calendar year and that is carried forward for the purpose of compliance with a renewable portfolio standard in a subsequent year.

(2) "BPA electricity" means electricity provided by the Bonneville Power Administration, including all electricity from the Federal Columbia River Power System hydroelectric projects and other electricity acquired by the Bonneville Power Administration by contract.

(3) "Bundled renewable energy certificate" means a renewable energy certificate for qualifying electricity that is acquired:

(a) By an electric utility or electricity service supplier by a trade, purchase or other transfer of electricity that includes the certificate that was issued for the electricity; or

(b) By an electric utility by generation of the electricity for which the certificate was issued.

(4) "Compliance year" means the calendar year for which the electric utility or electricity service supplier seeks to establish compliance with the renewable portfolio standard applicable to the utility or supplier in the compliance report submitted under ORS 469A.170.

(5) "Consumer-owned utility" means a municipal electric utility, a people's utility district organized under ORS chapter 261 that sells electricity or an electric cooperative organized under ORS chapter 62.

(6) "Electric company" has the meaning given that term in ORS 757.600.

(7) "Electric utility" has the meaning given that term in ORS 757.600.

(8) "Electricity service supplier" has the meaning given that term in ORS 757.600.

(9) "Qualifying electricity" means electricity described in ORS 469A.010.

(10) "Renewable energy source" means a source of electricity described in ORS 469A.025.

(11) "Retail electricity consumer" means a retail electricity consumer, as defined in ORS 757.600, that is located in Oregon.

(12) "Unbundled renewable energy certificate" means a renewable energy certificate for qualifying electricity that is acquired by an electric utility or electricity service supplier by trade, purchase or other transfer without acquiring the electricity for which the certificate was issued. [2007 c.301 §1]

QUALIFYING ELECTRICITY

469A.010 Qualifying electricity. (1) Except as provided in this section, and subject to ORS 469A.135, electricity generated from a renewable energy source may be used to comply with a renewable portfolio standard only if the facility that generates the electricity meets the requirements of ORS 469A.020.

(2) Any electricity that the Bonneville Power Administration has designated as environmentally preferred power, or has given a similar designation for electricity generated from a renewable resource, may be used to comply with a renewable portfolio standard.

(3) The Legislative Assembly finds that hydroelectric energy is an important renewable energy source and electricity from hydroelectric generators may be used to comply with a renewable portfolio standard as provided in ORS 469A.005 to 469A.210. [2007 c.301 §2]

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469A.020 Qualifying electricity; age of generating facility. (1) Except as provided in this section, electricity may be used to comply with a renewable portfolio standard only if the electricity is generated by a facility that becomes operational on or after January 1, 1995.

(2) Electricity from a generating facility, other than a hydroelectric facility, that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to capacity or efficiency upgrades made on or after January 1, 1995.

(3) Electricity from a hydroelectric facility that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to efficiency upgrades made on or after January 1, 1995. If an efficiency upgrade is made to a Bonneville Power Administration facility, only that portion of the electricity generation attributable to Oregon's share of the electricity may be used to comply with a renewable portfolio standard.

(4) Subject to the limit imposed by ORS 469A.025 (5), electricity from a hydroelectric facility that is owned by an electric utility and that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the facility is certified as a low-impact hydroelectric facility on or after January 1, 1995, by a national certification organization recognized by the State Department of Energy by rule. [2007 c.301 §3]

469A.025 Renewable energy sources; rules. (1) Electricity generated utilizing the following types of energy may be used to comply with a renewable portfolio standard:

- (a) Wind energy.
- (b) Solar photovoltaic and solar thermal energy.
- (c) Wave, tidal and ocean thermal energy.
- (d) Geothermal energy.

(2) Except as provided in subsection (3) of this section, electricity generated from biomass and biomass by-products may be used to comply with a renewable portfolio standard, including but not limited to electricity generated from:

- (a) Organic human or animal waste;
- (b) Spent pulping liquor;
- (c) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;
- (d) Wood material from hardwood timber grown on land described in ORS 321.267 (3);
- (e) Agricultural residues;
- (f) Dedicated energy crops; and
- (g) Landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters or municipal solid waste.

(3) Electricity generated from the direct combustion of biomass may not be used to comply with a renewable portfolio standard if any of the biomass combusted to generate the electricity includes:

- (a) Municipal solid waste; or
- (b) Wood that has been treated with chemical preservatives such as creosote, pentachlorophenol or chromated copper arsenate.

(4) Electricity generated by a hydroelectric facility may be used to comply with a renewable portfolio standard only if:

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(a) The facility is located outside any protected area designated by the Pacific Northwest Electric Power and Conservation Planning Council as of July 23, 1999, or any area protected under the federal Wild and Scenic Rivers Act, Public Law 90-542, or the Oregon Scenic Waterways Act, ORS 390.805 to 390.925; or

(b) The electricity is attributable to efficiency upgrades made to the facility on or after January 1, 1995.

(5) Up to 50 average megawatts of electricity per year generated by an electric utility from certified low-impact hydroelectric facilities described in ORS 469A.020 (4) may be used to comply with a renewable portfolio standard, without regard to the number of certified facilities operated by the electric utility or the generating capacity of those facilities. A hydroelectric facility described in this subsection is not subject to the requirements of subsection (4) of this section.

(6) Electricity generated from hydrogen gas derived from any source of energy described in subsections (1) to (5) of this section may be used to comply with a renewable portfolio standard.

(7) If electricity generation employs multiple energy sources, that portion of the electricity generated that is attributable to energy sources described in subsections (1) to (6) of this section may be used to comply with a renewable portfolio standard.

(8) The State Department of Energy by rule may approve energy sources other than those described in this section that may be used to comply with a renewable portfolio standard. The department may not approve petroleum, natural gas, coal or nuclear fission as an energy source that may be used to comply with a renewable portfolio standard. [2007 c.301 §4]

RENEWABLE PORTFOLIO STANDARDS

469A.050 Applicable standard. (1) Electric utilities must comply with the applicable renewable portfolio standard described in ORS 469A.052 or 469A.055.

(2) Electricity service suppliers must comply with the renewable portfolio standard established under ORS 469A.065. [2007 c.301 §5]

469A.052 Large utility renewable portfolio standard. (1) The large utility renewable portfolio standard imposes the following requirements on an electric utility that makes sales of electricity to retail electricity consumers in an amount that equals three percent or more of all electricity sold to retail electricity consumers:

(a) At least five percent of the electricity sold by the utility to retail electricity consumers in each of the calendar years 2011, 2012, 2013 and 2014 must be qualifying electricity;

(b) At least 15 percent of the electricity sold by the utility to retail electricity consumers in each of the calendar years 2015, 2016, 2017, 2018 and 2019 must be qualifying electricity;

(c) At least 20 percent of the electricity sold by the utility to retail electricity consumers in each of the calendar years 2020, 2021, 2022, 2023 and 2024 must be qualifying electricity; and

(d) At least 25 percent of the electricity sold by the utility to retail electricity consumers in calendar year 2025 and subsequent calendar years must be qualifying electricity.

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(2) If, on June 6, 2007, an electric utility makes sales of electricity to retail electricity consumers in an amount that equals less than three percent of all electricity sold to retail electricity consumers, but in any three consecutive calendar years thereafter makes sales of electricity to retail electricity consumers in amounts that average three percent or more of all electricity sold to retail electricity consumers, the utility is subject to the renewable portfolio standard described in subsection (3) of this section. The utility becomes subject to the standard described in subsection (3) of this section in the calendar year following the three-year period during which the utility makes sales of electricity to retail electricity consumers in amounts that average three percent or more of all electricity sold to retail electricity consumers.

(3) An electric utility described in subsection (2) of this section must comply with the following renewable portfolio standard:

(a) Beginning in the fourth calendar year after the calendar year in which the utility becomes subject to the standard described in this subsection, at least five percent of the electricity sold by the utility to retail electricity consumers in a calendar year must be qualifying electricity;

(b) Beginning in the 10th calendar year after the calendar year in which the utility becomes subject to the standard described in this subsection, at least 15 percent of the electricity sold by the utility to retail electricity consumers in a calendar year must be qualifying electricity;

(c) Beginning in the 15th calendar year after the calendar year in which the utility becomes subject to the standard described in this subsection, at least 20 percent of the electricity sold by the utility to retail electricity consumers in a calendar year must be qualifying electricity; and

(d) Beginning in the 20th calendar year after the calendar year in which the utility becomes subject to the standard described in this subsection, at least 25 percent of the electricity sold by the utility to retail electricity consumers in a calendar year must be qualifying electricity. [2007 c.301 §6]

469A.055 Small electric utilities. (1) Except as provided in this section, an electric utility that makes sales of electricity to retail electricity consumers in an amount that equals less than three percent of all electricity sold to retail electricity consumers is not subject to ORS 469A.005 to 469A.210.

(2) Beginning in calendar year 2025, at least five percent of the electricity sold to retail electricity consumers in a calendar year by an electric utility must be qualifying electricity if the electric utility makes sales of electricity to retail electricity consumers in an amount that equals less than one and one-half percent of all electricity sold to retail electricity consumers.

(3) Beginning in calendar year 2025, at least 10 percent of the electricity sold to retail electricity consumers in a calendar year by an electric utility must be qualifying electricity if the electric utility makes sales of electricity to retail electricity consumers in an amount that equals or is more than one and one-half percent, and less than three percent, of all electricity sold to retail electricity consumers

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(4) The exemption provided by subsection (1) of this section terminates if an electric utility, or a joint operating entity that includes the utility as a member, acquires electricity from an electricity generating facility that uses coal as an energy source or makes an investment on or after June 6, 2007, in an electricity generating facility that uses coal as an energy source. This subsection does not apply to:

(a) A wholesale market purchase by an electric utility for which the energy source for the electricity is not known;

(b) BPA electricity;

(c) Acquisition of electricity under a contract entered into before June 6, 2007;

(d) A renewal or replacement contract for a contract for purchase of electricity described in paragraph (c) of this subsection;

(e) A purchase of electricity if the electricity is included in a contract for the purchase of qualifying electricity and is necessary to shape, firm or integrate the qualifying electricity;

(f) Electricity provided to an electric utility under a contract for the acquisition of an interest in an electricity generating facility that was entered into by the utility before June 6, 2007, or entered into before June 6, 2007, by an electric cooperative organized under ORS chapter 62 of which the electric utility is a member, without regard to whether the electricity is being used to serve the load of the electric utility on June 6, 2007; or

(g) Investments in an electricity generating facility that uses coal as an energy source if the investments are for the purpose of improving the facility's pollution mitigation equipment or the facility's efficiency or are necessary to comply with requirements or standards imposed by governmental entities.

(5) The exemption provided by subsection (1) of this section terminates for a consumer-owned utility if at any time after June 6, 2007, the utility acquires service territory of an electric company without the consent of the electric company.

(6) Beginning in the calendar year following the year in which an electric utility's exemption terminates under subsection (4) or (5) of this section, the utility is subject to the renewable portfolio standard described in ORS 469A.052 (3) and related provisions of ORS 469A.005 to 469A.210.

(7) The provisions of this section do not affect the requirement that electric utilities offer a green power rate under ORS 469A.205. [2007 c.301 §7]

469A.060 Exemptions from compliance with renewable portfolio standard.

(1) Electric utilities are not required to comply with the renewable portfolio standards described in ORS 469A.052 and 469A.055 to the extent that:

(a) Compliance with the standard would require the utility to acquire electricity in excess of the utility's projected load requirements in any calendar year; and

(b) Acquiring the additional electricity would require the utility to substitute qualifying electricity for electricity derived from an energy source other than coal, natural gas or petroleum.

(2)(a) Electric utilities are not required to comply with a renewable portfolio standard to the extent that compliance would require the utility to substitute qualifying electricity for electricity available to the utility under contracts for electricity from dams that are owned by Washington public utility districts and are located between the Grand Coulee Dam and the

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Columbia River's junction with the Snake River. The provisions of this subsection apply only to contracts entered into before June 6, 2007, and to renewal or replacement contracts for contracts entered into before June 6, 2007.

(b) If a contract described in paragraph (a) of this subsection expires and is not renewed or replaced, the utility must comply, in the calendar year following the expiration of the contract, with the renewable portfolio standard applicable to the utility.

(3) A consumer-owned utility is not required to comply with a renewable portfolio standard to the extent that compliance would require the utility to reduce the utility's purchases of the lowest priced electricity from the Bonneville Power Administration pursuant to section 5 of the Pacific Northwest Electric Power Planning and Conservation Act of 1980, P.L. 96-501, as in effect on June 6, 2007. The exemption provided by this subsection applies only to firm commitments for BPA electricity that the Bonneville Power Administration has assured will be available to a utility to meet agreed portions of the utility's load requirements for a defined period of time. [2007 c.301 §8]

469A.065 Renewable portfolio standard for electricity service suppliers. An electricity service supplier must meet the requirements of the renewable portfolio standards that are applicable to the electric utilities that serve the territories in which the electricity service supplier sells electricity to retail electricity consumers. The Public Utility Commission shall establish procedures for implementation of the renewable portfolio standards for electricity service suppliers that sell electricity in the service territory of an electric company. If an electricity service supplier sells electricity in territories served by more than one electric company, the commission may provide for an aggregate standard based on the amount of electricity sold by the electricity service supplier in each territory. Pursuant to ORS 757.676, a consumer-owned utility may establish procedures for the implementation of the renewable portfolio standards for electricity service suppliers that sell electricity in the territory served by the consumer-owned utility. [2007 c.301 §9]

469A.070 Manner of complying with renewable portfolio standards. (1) Except as provided in subsection (2) of this section, an electric utility or electricity service supplier must comply with the renewable portfolio standard applicable to the utility or supplier in each calendar year by:

(a) Using bundled renewable energy certificates issued or acquired during the compliance year;

(b) Subject to the limitations described in ORS 469A.140 and 469A.145, using unbundled or banked renewable energy certificates; or

(c) Making alternative compliance payments as described in ORS 469A.180.

(2) Bundled or unbundled renewable energy certificates that are issued or acquired by an electric utility or electricity service supplier on or before March 31 in a calendar year may be used by the utility or supplier to comply with the renewable portfolio standard applicable to the utility or supplier for the preceding calendar year. [2007 c.301 §10]

469A.075 Implementation plan for electric companies; annual reports; rules.

(1) An electric company that is subject to a renewable portfolio standard shall develop an implementation plan for meeting the requirements of the

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standard and file the plan with the Public Utility Commission. Implementation plans must be revised and updated at least once every two years.

(2) An implementation plan must at a minimum contain:

(a) Annual targets for acquisition and use of qualifying electricity;
and

(b) The estimated cost of meeting the annual targets, including the cost of transmission, the cost of firming, shaping and integrating qualifying electricity, the cost of alternative compliance payments and the cost of acquiring renewable energy certificates.

(3) The commission shall acknowledge the implementation plan no later than six months after the plan is filed with the commission. The commission may acknowledge the plan subject to conditions specified by the commission.

(4) The commission shall adopt rules:

(a) Establishing requirements for the content of implementation plans;
(b) Establishing the procedure for acknowledgment of implementation plans under this section, including provisions for public comment; and

(c) Providing for the integration of the implementation plan with the integrated resource planning guidelines established by the commission and in effect on June 6, 2007.

(5) The implementation plan filed under this section may include procedures that will be used by the electric company to determine whether the costs of constructing a facility that generates electricity from a renewable energy source, or the costs of acquiring bundled or unbundled renewable energy certificates, are consistent with the standards of the commission relating to least-cost, least-risk planning for acquisition of resources. [2007 c.301 §11]

Note: Section 11a, chapter 301, Oregon Laws 2007, provides:

Sec. 11a. An electric company shall develop and file with the Public Utility Commission an initial implementation plan under section 11 of this 2007 Act [469A.075] no later than January 1, 2010. [2007 c.301 §11a]

COST LIMITATION

469A.100 Limits on cost of compliance with renewable portfolio standard. (1) Electric utilities are not required to comply with a renewable portfolio standard during a compliance year to the extent that the incremental cost of compliance, the cost of unbundled renewable energy certificates and the cost of alternative compliance payments under ORS 469A.180 exceeds four percent of the utility's annual revenue requirement for the compliance year.

(2) For each electric company, the Public Utility Commission shall establish the annual revenue requirement for a compliance year no later than January 1 of the compliance year. The governing body of a consumer-owned utility shall establish the annual revenue requirement for the consumer-owned utility.

(3) The annual revenue requirement for an electric utility shall be calculated based only on the operations of the utility relating to electricity. The annual revenue requirement does not include any amount expended by the utility for energy efficiency programs for customers of the utility or for low income energy assistance, the incremental cost of compliance with a renewable portfolio standard, the cost of unbundled renewable energy certificates or the cost of alternative compliance payments under ORS 469A.180. The annual revenue requirement does include:

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(a) All operating expenses of the utility during the compliance year, including depreciation and taxes; and

(b) For electric companies, an amount equal to the total rate base of the company for the compliance year multiplied by the rate of return established by the commission for debt and equity of the company.

(4) For the purposes of this section, the incremental cost of compliance with a renewable portfolio standard is the difference between the levelized annual delivered cost of the qualifying electricity and the levelized annual delivered cost of an equivalent amount of reasonably available electricity that is not qualifying electricity. For the purpose of this subsection, the commission or governing body of a consumer-owned utility shall use the net present value of delivered cost, including:

(a) Capital, operating and maintenance costs of generating facilities;

(b) Financing costs attributable to capital, operating and maintenance expenditures for generating facilities;

(c) Transmission and substation costs;

(d) Load following and ancillary services costs; and

(e) Costs associated with using other assets, physical or financial, to integrate, firm or shape renewable energy sources on a firm annual basis to meet retail electricity needs.

(5) For the purposes of this section, the governing body of a consumer-owned utility may include in the incremental cost of compliance with a renewable portfolio standard all expenses associated with research, development and demonstration projects related to the generation of qualifying electricity by the consumer-owned utility.

(6) The commission shall establish limits on the incremental cost of compliance with the renewable portfolio standard for electricity service suppliers under ORS 469A.065 that are the equivalent of the cost limits applicable to the electric companies that serve the territories in which the electricity service supplier sells electricity to retail electricity consumers. If an electricity service supplier sells electricity in territories served by more than one electric company, the commission may provide for an aggregate cost limit based on the amount of electricity sold by the electricity service supplier in each territory. Pursuant to ORS 757.676, a consumer-owned utility may establish limits on the cost of compliance with the renewable portfolio standard for electricity service suppliers that sell electricity in the territory served by the consumer-owned utility. [2007 c.301 §12]

COST RECOVERY

469A.120 Cost recovery by electric companies. (1) Except as provided in ORS 469A.180 (5), all prudently incurred costs associated with compliance with a renewable portfolio standard are recoverable in the rates of an electric company, including interconnection costs, costs associated with using physical or financial assets to integrate, firm or shape renewable energy sources on a firm annual basis to meet retail electricity needs and other costs associated with transmission and delivery of qualifying electricity to retail electricity consumers.

(2) Costs associated with compliance with a renewable portfolio standard are not an above-market cost for the purposes of ORS 757.600 to 757.689.

(3) The Public Utility Commission shall establish an automatic adjustment clause as defined in ORS 757.210 or another method that allows

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timely recovery of costs prudently incurred by an electric company to construct or otherwise acquire facilities that generate electricity from renewable energy sources and for associated electricity transmission. Notwithstanding any other provision of law, upon the request of any interested person the commission shall conduct a proceeding to establish the terms of the automatic adjustment clause or other method for timely recovery of costs. The commission shall provide parties to the proceeding with the procedural rights described in ORS 756.500 to 756.610, including but not limited to the opportunity to develop an evidentiary record, conduct discovery, introduce evidence, conduct cross-examination and submit written briefs and oral argument. The commission shall issue a written order with findings on the evidentiary record developed in the proceeding.

(4) An electric company must file with the commission for approval of a proposed rate change to recover costs under the terms of an automatic adjustment clause or other method for timely recovery of costs established under subsection (3) of this section. Notwithstanding any other provision of law, upon the request of any interested person the commission shall conduct a proceeding to determine whether to approve a proposed change in rates under the automatic adjustment clause or other method for timely recovery of costs. The commission shall provide parties to the proceeding with the procedural rights described in ORS 756.500 to 756.610, including but not limited to the opportunity to develop an evidentiary record, conduct discovery, introduce evidence, conduct cross-examination and submit written briefs and oral argument. The commission shall issue a written order with findings on the evidentiary record developed in the proceeding. A filing made under this subsection is subject to the commission's authority under ORS 757.215 to suspend a rate, or schedule of rates, for investigation. [2007 c.301 §13]

Note: Section 13a, chapter 301, Oregon Laws 2007, provides:

Sec. 13a. The Public Utility Commission shall establish the automatic adjustment clause or another method for timely recovery of costs as required by section 13 (3) of this 2007 Act [469A.120 (3)] no later than January 1, 2008. The clause or method shall apply to all prudently incurred costs described in section 13 (3) of this 2007 Act incurred by an electric company since the date of the company's last general rate case that was decided by the commission before the effective date of this 2007 Act [June 6, 2007]. [2007 c.301 §13a]

RENEWABLE ENERGY CERTIFICATES

469A.130 Renewable energy certificates system. (1) The State Department of Energy shall establish a system of renewable energy certificates that can be used by an electric utility or electricity service supplier to establish compliance with the applicable renewable portfolio standard. The department shall consult with the Public Utility Commission before establishing a system of renewable energy certificates under this section. The department may allow use of renewable energy certificates that are issued, monitored, accounted for or transferred by or through a regional system or trading program, including but not limited to the Western Renewable Energy Generation Information System. The system established by the department shall allow issuance, transfer and use of renewable energy certificates in electronic form.

(2) The validity of a bundled renewable energy certificate for purposes of compliance with the applicable renewable portfolio standard is not

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affected by the substitution of any other electricity for the qualifying electricity at any point after the time of generation. [2007 c.301 §14]

469A.135 Renewable energy certificates that may be used to comply with standards. (1) A bundled renewable energy certificate may be used to comply with a renewable portfolio standard if:

(a) The facility that generates the qualifying electricity for which the certificate is issued is located in the United States and within the geographic boundary of the Western Electricity Coordinating Council; and

(b) The qualifying electricity for which the certificate is issued is delivered to the Bonneville Power Administration, to the transmission system of an electric utility or to another delivery point designated by an electric utility for the purpose of subsequent delivery to the electric utility.

(2) An unbundled renewable energy certificate may be used to comply with a renewable portfolio standard if the facility that generates the qualifying electricity for which the certificate is issued is located within the geographic boundary of the Western Electricity Coordinating Council.

(3) Renewable energy certificates issued for any electricity that the Bonneville Power Administration has designated as environmentally preferred power, or has given a similar designation for electricity generated from a renewable resource, may be used to comply with a renewable portfolio standard without regard to the location of the generating facility. [2007 c.301 §15]

469A.140 Use, transfer and banking of certificates. (1) Renewable energy certificates may be traded, sold or otherwise transferred.

(2) Renewable energy certificates that are not used by an electric utility or electricity service supplier to comply with a renewable portfolio standard in a calendar year may be banked and carried forward indefinitely for the purpose of complying with a renewable portfolio standard in a subsequent year. For the purpose of complying with a renewable portfolio standard in any calendar year:

(a) Banked renewable energy certificates must be used, up to the limit imposed by ORS 469A.145, before other certificates are used; and

(b) Banked renewable energy certificates with the oldest issuance date must be used to comply with the standard before banked renewable energy certificates with more recent issuance dates are used.

(3) An electric utility or electricity service supplier is responsible for demonstrating that a renewable energy certificate used to comply with a renewable portfolio standard is derived from a renewable energy source and that the utility or supplier has not used, traded, sold or otherwise transferred the certificate.

(4) The same renewable energy certificate may be used by an electric utility or electricity service supplier to comply with a federal renewable portfolio standard and a renewable portfolio standard established under ORS 469A.005 to 469A.210. An electric utility or electricity service supplier that uses a renewable energy certificate to comply with a renewable portfolio standard imposed by any other state may not use the same certificate to comply with a renewable portfolio standard established under ORS 469A.005 to 469A.210. [2007 c.301 §16]

469A.145 Limitations on use of unbundled certificates to meet renewable portfolio standard. (1) Except as otherwise provided in this section, unbundled renewable energy certificates, including banked unbundled renewable energy certificates, may not be used to meet more than 20 percent of the

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requirements of the large utility renewable portfolio standard described in ORS 469A.052 for any compliance year.

(2) The limitation imposed by subsection (1) of this section does not apply to renewable energy certificates issued for electricity generated in Oregon from a renewable energy source by a net metering facility as defined in ORS 757.300, or another generating facility that is not directly connected to a distribution or transmission system.

(3) The limitation imposed by subsection (1) of this section does not apply to renewable energy certificates issued for electricity generated in Oregon by a qualifying facility under ORS 758.505 to 758.555.

(4) The limitation imposed by subsection (1) of this section does not apply to an electricity service supplier. [2007 c.301 §17]

Note: Section 17a, chapter 301, Oregon Laws 2007, provides:

Sec. 17a. Notwithstanding section 17 (1) of this 2007 Act [469A.145 (1)], for compliance years before 2020, a consumer-owned utility subject to the large utility renewable portfolio standard described in section 6 of this 2007 Act [469A.052] may use unbundled renewable energy certificates, including banked unbundled renewable energy certificates, to meet up to 50 percent of the requirements of the standard. [2007 c.301 §17a]

469A.150 Multistate electric companies; rules. The Public Utility Commission by rule shall establish a process for allocating the use of renewable energy certificates by an electric company that makes sales of electricity to retail customers in more than one state. [2007 c.301 §18]

COMPLIANCE REPORTS

469A.170 Compliance reports. (1) Each electric utility and electricity service supplier that is subject to a renewable portfolio standard shall make an annual compliance report for the purpose of detailing compliance, or failure to comply, with the renewable portfolio standard applicable in the compliance year. An electric company or electricity service supplier shall make the report to the Public Utility Commission. A consumer-owned utility shall make the report to the members or customers of the utility.

(2) The commission shall review each compliance report filed under this section by an electric company or electricity service supplier for the purposes of determining whether the company or supplier has complied with the renewable portfolio standard applicable to the company or supplier and the manner in which the company or supplier has complied. In reviewing the reports, the commission shall consider:

(a) The relative amounts of renewable energy certificates and other payments used by the company or supplier to meet the applicable renewable portfolio standard, including:

- (A) Bundled renewable energy certificates;
 - (B) Unbundled renewable energy certificates;
 - (C) Banked renewable energy certificates; and
 - (D) Alternative compliance payments under ORS 469A.180.
- (b) The timing of electricity purchases.

(c) The market prices for electricity purchases and unbundled renewable energy certificates.

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(d) Whether the actions taken by the company or supplier are contributing to long term development of generating capacity using renewable energy sources.

(e) The effect of the actions taken by the company or supplier on the rates payable by retail electricity consumers.

(f) Good faith forecasting differences associated with the projected number of retail electricity consumers served and the availability of electricity from renewable energy sources.

(g) For electric companies, consistency with the implementation plan filed under ORS 469A.075, as acknowledged by the commission.

(h) Any other factors deemed reasonable by the commission.

(3) The commission by rule may establish requirements for compliance reports submitted by an electric company or electricity service supplier.
[2007 c.301 §19]

ALTERNATIVE COMPLIANCE PAYMENTS

469A.180 Electric companies; electricity service suppliers. (1) The Public Utility Commission shall establish an alternative compliance rate for each compliance year for each electric company or electricity service supplier that is subject to a renewable portfolio standard. The rate shall be expressed in dollars per megawatt-hour.

(2) The commission shall establish an alternative compliance rate based on the cost of qualifying electricity, contracts that the electric company or electricity service supplier has acquired for future delivery of qualifying electricity and the number of unbundled renewable energy certificates that the company or supplier anticipates using in the compliance year to meet the renewable portfolio standard applicable to the company or supplier. The commission shall also consider any determinations made under ORS 469A.170 in reviewing the compliance report made by the electric company or electricity service supplier for the previous compliance year. In establishing an alternative compliance rate, the commission shall set the rate to provide adequate incentive for the electric company or electricity service supplier to purchase or generate qualifying electricity in lieu of using alternative compliance payments to meet the renewable portfolio standard applicable to the company or supplier.

(3) An electric company or electricity service supplier may elect to use, or may be required by the commission to use, alternative compliance payments to comply with the renewable portfolio standard applicable to the company or supplier. Any election by an electric company or electricity service supplier to use alternative compliance payments is subject to review by the commission under ORS 469A.170. An electric company or electricity service supplier may not be required to make alternative compliance payments that would result in the company or supplier exceeding the cost limitation established under ORS 469A.100.

(4) The commission shall determine for each electric company the extent to which alternative compliance payments may be recovered in the rates of the company. Each electric company shall deposit any amounts recovered in the rates of the company for alternative compliance payments in a holding account established by the company. Amounts in the holding account shall accrue interest at the rate of return authorized by the commission for the electric company.

(5) Amounts in holding accounts established under subsection (4) of this section may be expended by an electric company only for costs of

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acquiring new generating capacity from renewable energy sources, investments in efficiency upgrades to electricity generating facilities owned by the company and energy conservation programs within the company's service area. The commission must approve expenditures by an electric company from a holding account established under subsection (4) of this section. Amounts that are collected from customers and spent by an electric company under this subsection may not be included in the company's rate base.

(6) The commission shall require electricity service suppliers to establish holding accounts and make payments to those accounts on a substantially similar basis as provided for electric companies. The commission must approve expenditures by an electricity service supplier from a holding account established under this subsection. The commission may approve expenditures only for energy conservation programs for customers of the electricity service supplier. [2007 c.301 §20]

469A.185 Consumer-owned utilities. The governing body of a consumer-owned utility shall establish an alternative compliance rate for the utility. To the extent possible, the alternative compliance rate shall be determined by the governing body of the consumer-owned utility in a manner similar to that used by the Public Utility Commission in establishing alternative compliance rates under ORS 469A.180. Amounts collected as alternative compliance payments by a consumer-owned utility may be used for the purposes specified in ORS 469A.180 (5) and for the purpose of paying expenses associated with research, development and demonstration projects related to the generation of qualifying electricity by the utility. [2007 c.301 §21]

PENALTY

469A.200 Penalty. If an electric company or electricity service supplier that is subject to a renewable portfolio standard under ORS 469A.005 to 469A.210 fails to comply with the standard in the manner provided by ORS 469A.005 to 469A.210, the Public Utility Commission may impose a penalty against the company or supplier in an amount determined by the commission. A penalty under this section is in addition to any alternative compliance payment required or elected under ORS 469A.180. Moneys paid for penalties under this section shall be transmitted by the commission to the nongovernmental entity receiving moneys under ORS 757.612 (3)(d) and may be used only for the purposes specified in ORS 757.612 (1). [2007 c.301 §22]

GREEN POWER RATE

469A.205 Green power rate. (1) Electric utilities shall allow retail electricity consumers to elect a green power rate. A significant portion of the electricity purchased or generated by a utility that is attributable to moneys paid by retail electricity consumers who elect the green power rate must be qualifying electricity, and the utility must inform consumers of the sources of the electricity purchased or generated by the utility that is attributable to moneys paid by consumers who elect the green power rate. The green power rate shall reasonably reflect the costs of the electricity purchased or generated by the utility that is attributable to moneys paid by retail electricity consumers who elect the green power rate. All prudently incurred costs associated with the green power rate are recoverable in a green power rate offered by an electric company.

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(2) Any qualifying electricity procured by an electric utility to provide electricity under a green power rate under subsection (1) of this section or ORS 757.603 (2)(a) may not be used by the utility to comply with the requirements of a renewable portfolio standard.

(3) The provisions of subsection (1) of this section do not apply to electric companies that are subject to ORS 757.603 (2)(a).

(4) An electric utility may comply with the requirements of subsection (1) of this section by contracting with a third-party provider. [2007 c.301 §23]

COMMUNITY-BASED RENEWABLE ENERGY PROJECTS

469A.210 Goal for community-based renewable energy projects. The Legislative Assembly finds that community-based renewable energy projects are an essential element of Oregon's energy future, and declares that it is the goal of the State of Oregon that by 2025 at least eight percent of Oregon's retail electrical load comes from small-scale renewable energy projects with a generating capacity of 20 megawatts or less. All agencies of the executive department as defined in ORS 174.112 shall establish policies and procedures promoting the goal declared in this section. [2007 c.301 §24]

JOB IMPACT STUDY

Note: Sections 25 and 26, chapter 301, Oregon Laws 2007, provide:

Sec. 25. (1) The State Department of Energy shall periodically conduct a study to evaluate the impact of sections 1 to 24 of this 2007 Act [469A.005 to 469A.210] on jobs in this state. The study shall assess the number of new jobs created in the renewable energy sector in this state and the average wage rates and the provision of health care and other benefits for those jobs. In addition, the study shall investigate the extent to which workforce training opportunities are being provided to employees to prepare the employees for jobs in the renewable energy sector.

(2) The department shall conduct the first study under this section not later than two years after the effective date of this 2007 Act [June 6, 2007]. [2007 c.301 §25]

Sec. 26. Section 25 of this 2007 Act is repealed January 2, 2026. [2007 c.301 §26]

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Section II. OAR 160

Section II. OAR, Division 160

Administrative Rule: Division 160

Stat. Auth.: ORS 469A.130

Stats. Implemented: ORS 469A.130 - 469A.145

Hist.: DOE 6-2008, f. & cert. ef 9-3-08

DIVISION 160

**ESTABLISH A RENEWABLE ENERGY CERTIFICATE SYSTEM FOR THE
OREGON RENEWABLE PORTFOLIO STANDARD (RPS)**

330-160-0005

Purpose

The purpose of these rules is to establish a system of renewable energy certificates to provide a means of compliance with the Oregon Renewable Portfolio Standard (RPS).

330-160-0015

Definitions

- (1) "Banked Renewable Energy Certificate" has the meaning in ORS 469A.005.
- (2) "Bundled Renewable Energy Certificate" has the meaning in ORS 469A.005.
- (3) "Compliance Year" has the meaning in ORS 469A.005.
- (4) "Director" means the Director of the Oregon Department of Energy.
- (5) "Electricity Service Supplier" has the meaning in ORS 469A.005.
- (6) "Electric Utility" has the meaning in ORS 469A.005.
- (7) "Qualifying Electricity" has the meaning in ORS 469A.005.
- (8) "Renewable Energy Certificate" (REC or Certificate) means a unique representation of the environmental, economic, and social benefits associated with the generation of electricity from renewable energy sources that produce Qualifying Electricity. One Certificate is created in association with the generation of one megaWatt-hour (MWh) of Qualifying Electricity. While a

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Certificate is always directly associated with the generation of one MWh of electricity, transactions for Certificates may be conducted independently of transactions for the associated electricity.

(9) "Renewable Energy Source" has the meaning in ORS 469A.005.

(10) "Unbundled Renewable Energy Certificate" has the meaning in ORS 469A.005.

(11) "Vintage" means the month and year that qualifying electricity was created in accordance with WREGIS protocol.

(12) "Western Renewable Energy Generation Information System" means the renewable energy certificate tracking and reporting system established by the California Energy Commission and the Western Governors Association and governed by the Western Electricity Coordinating Council for use by states and provinces throughout the western power interconnection.

330-160-0020

Establishment of Renewable Energy Certificate System

(1) Renewable energy certificates that are issued, monitored, accounted for and transferred by or through the regional renewable energy certificate system and trading mechanism known as the Western Renewable Energy Generation Information System (WREGIS) shall be the only renewable energy certificates that can be used by an electric utility or electricity service supplier to establish compliance with the Oregon Renewable Portfolio Standard (RPS).

(2) All entities that wish to demonstrate compliance or participate in the renewable energy certificate system associated with the Oregon RPS must establish and maintain accounts in good standing with the WREGIS renewable energy certificate system. These entities must comply with all information, data reporting and verification requirements of WREGIS and the WREGIS Operating Rules, including costs required for compliance. These accounts must be established before January 1, 2009 or before the earliest vintage of Certificate to be used to comply with the Oregon RPS, whichever is later.

(3) All entities that wish to demonstrate compliance or participate in the renewable energy certificate system associated with the Oregon RPS must participate in the system in accordance with the WREGIS Operating Rules. The Operating Rules for WREGIS are publicly available from the WREGIS web site at www.wregis.org/content/blogcategory/26/47/ under the "Operating Rules" section. If there are substantial changes to the WREGIS Operating Rules which, at the Director's discretion, may significantly impact the ability of the WREGIS renewable energy certificate system to facilitate the Oregon RPS the Director may, after public consultation with interested parties, implement rulemaking to address those concerns.

330-160-0025

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Types of Renewable Energy Certificates

A bundled or unbundled renewable energy certificate may be used to comply with the RPS when it is issued through the WREGIS renewable energy certificate system, is identified within the WREGIS as Oregon-eligible, and is otherwise consistent with the rules and requirements of the Oregon RPS. The Department, acting through the appropriate WREGIS protocol, will identify those generating facilities eligible for creation of Certificates that can be used to satisfy the Oregon RPS.

(1) A bundled renewable energy certificate must include documentation that one megawatt-hour of energy was associated with the transfer of the WREGIS renewable energy certificate to the electric utility or electricity service supplier. This documentation shall consist of a completed data field in the WREGIS certificate that contains a valid North American Electric Reliability Corporation (NERC) electronic tagging number ("e-Tag") or another unique identification value adopted by the WREGIS that indicates one megawatt-hour of energy was delivered to:

(a) the transmission system of the electric utility, or to a delivery point designated by an electric utility for the purposes of subsequent delivery to the electric utility; or

(b) the Bonneville Power Administration for delivery, or subsequent delivery, to an electric utility.

(2) A bundled renewable energy certificate does not need to demonstrate that the electricity identified by the NERC e-Tag is qualifying electricity or that the originating source identified by the NERC e-Tag is a renewable energy source.

330-160-0030

Allowed Vintage of Renewable Energy Certificates

(1) The system of renewable energy certificates established through this rule may be used to comply with or participate in the Oregon RPS through the use of Certificates with a vintage of January 2007 or later.

(2) No renewable energy certificate that derives from the WREGIS renewable energy certificate system with a vintage before January 2007 will be eligible for compliance with the Oregon RPS.

(3) Banked renewable energy certificates with a vintage of January 2007 or later, both bundled and unbundled, may be held for future use within the WREGIS renewable energy certificate system to comply with the Oregon RPS.

(4) Generating facilities that produce qualifying electricity shall be eligible to receive certificates associated with generation beginning on January 1, 2007.

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Section III. OAR Division 84

[Section III. OAR Division 84 – Oregon Public Utility Commission](#)

Administrative Rule: Division 160 860-084-020 and 860-084-0070

Division 84

Solar Photovoltaic Capacity Standard

860-084-0020

On or before January 1, 2020, each electric company must own, or contract to purchase the capacity and output of qualifying solar photovoltaic energy systems to achieve, or exceed, and maintain the following minimum solar photovoltaic capacity standards:

- (1) Portland General Electric: 10.9 megawatts
- (2) Pacific Power: 8.7 megawatts
- (3) Idaho Power Company: 0.5 megawatts.

Stat Auth: ORS 757.360 - 757.380
Stats. Implemented: ORS 757.360 - 757.380
Hist.: PUC 2-2010, f. & cert. ef. 6-1-10

Division 84

Renewable Energy Certificates and Compliance with the Renewable Portfolio Standards

860-084-0070

(1) Each renewable energy certificate associated with the electricity produced by solar photovoltaic energy systems used to achieve, or exceed, the minimum solar photovoltaic capacity standards specified in OAR 860-084-0020 may be used to comply with the renewable portfolio standards established under ORS 469A.005 to ORS 469A.120.

(2) Each renewable energy certificate associated with the electricity produced by solar photovoltaic energy systems may be used, or counted, twice to comply with the renewable portfolio standards established under ORS 469A.005 to ORS 469A.120, if the solar photovoltaic energy systems:

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(a) First become operational before January 1, 2016,

(b) Are installed in Oregon, and

(c) Are within the solar photovoltaic capacity standards specified in OAR 860-084-0020.

(3) Renewable energy certificates used pursuant to sections (1) and (2) of this rule must comply with the standards of OAR 860-083-0050.

Stat Auth: ORS 757.360 - 757.380

Stats. Implemented: ORS 757.360 - 757.380

Hist.: PUC 2-2010, f. & cert. ef. 6-1-10

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Section IV. HB 3649A - Low Impact Hydro Certification

[Section IV. HB 3649A \(2010\) - Low Impact Hydro Certification](#)

Bill Number: HB 3649A
Year Passed: 2010
Affected RPS ORS: 469A.020 and 469A.025

Relating to electricity from low-impact hydroelectric facilities that may be used to comply with renewable portfolio standards; creating new provisions; and amending ORS 469A.020 and 469A.025.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 469A.020 is amended to read:

469A.020. (1) Except as provided in this section, electricity may be used to comply with a renewable portfolio standard only if the electricity is generated by a facility that becomes operational on or after January 1, 1995.

(2) Electricity from a generating facility, other than a hydroelectric facility, that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to capacity or efficiency upgrades made on or after January 1, 1995.

(3) Electricity from a hydroelectric facility that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to efficiency upgrades made on or after January 1, 1995. If an efficiency upgrade is made to a Bonneville Power Administration facility, only that portion of the electricity generation attributable to Oregon's share of the electricity may be used to comply with a renewable portfolio standard.

(4) Subject to the limit imposed by ORS 469A.025 (5), electricity from a hydroelectric facility { - that is owned by an electric utility and - } that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the facility is certified as a low-impact hydroelectric facility on or after January 1, 1995, by a national certification organization recognized by the State Department of Energy by rule { + , and if the facility is either:

(a) Owned by an electric utility; or

(b) Not owned by an electric utility and located in Oregon and licensed by the Federal Energy Regulatory Commission under the Federal Power Act, 16 U.S.C. 791a et seq., or exempt from such license + }.

SECTION 2. ORS 469A.025 is amended to read:

469A.025. (1) Electricity generated utilizing the following types of energy may be used to comply with a renewable portfolio

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standard:

- (a) Wind energy.
 - (b) Solar photovoltaic and solar thermal energy.
 - (c) Wave, tidal and ocean thermal energy.
 - (d) Geothermal energy.
- (2) Except as provided in subsection (3) of this section, electricity generated from biomass and biomass by-products may be used to comply with a renewable portfolio standard, including but not limited to electricity generated from:
- (a) Organic human or animal waste;
 - (b) Spent pulping liquor;
 - (c) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;
 - (d) Wood material from hardwood timber grown on land described in ORS 321.267 (3);
 - (e) Agricultural residues;
 - (f) Dedicated energy crops; and
 - (g) Landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters or municipal solid waste.
- (3) Electricity generated from the direct combustion of biomass may not be used to comply with a renewable portfolio standard if any of the biomass combusted to generate the electricity includes:
- (a) Municipal solid waste; or
 - (b) Wood that has been treated with chemical preservatives such as creosote, pentachlorophenol or chromated copper arsenate.
- (4) Electricity generated by a hydroelectric facility may be used to comply with a renewable portfolio standard only if:
- (a) The facility is located outside any protected area designated by the Pacific Northwest Electric Power and Conservation Planning Council as of July 23, 1999, or any area protected under the federal Wild and Scenic Rivers Act, Public Law 90-542, or the Oregon Scenic Waterways Act, ORS 390.805 to 390.925; or
 - (b) The electricity is attributable to efficiency upgrades made to the facility on or after January 1, 1995.
- (5) { + (a) + } Up to 50 average megawatts of electricity per year generated by an electric utility from certified low-impact hydroelectric facilities described in ORS 469A.020
- (4) { + (a) + } may be used to comply with a renewable portfolio standard, without regard to the number of certified facilities operated by the electric utility or the generating capacity of those facilities. A hydroelectric facility described in this { - subsection - } { + paragraph + } is not subject to the requirements of subsection (4) of this section.
- { + (b) + } Up to 40 average megawatts of electricity per year generated by certified low-impact hydroelectric facilities described in ORS 469A.020 (4)(b) may be used to comply with a renewable portfolio standard, without regard to the number of certified facilities or the generating capacity of those facilities. A hydroelectric facility described in this paragraph

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is not subject to the requirements of subsection (4) of this section. + }

(6) Electricity generated from hydrogen gas derived from any source of energy described in subsections (1) to (5) of this section may be used to comply with a renewable portfolio standard.

(7) If electricity generation employs multiple energy sources, that portion of the electricity generated that is attributable to energy sources described in subsections (1) to (6) of this section may be used to comply with a renewable portfolio standard.

(8) The State Department of Energy by rule may approve energy sources other than those described in this section that may be used to comply with a renewable portfolio standard. The department may not approve petroleum, natural gas, coal or nuclear fission as an energy source that may be used to comply with a renewable portfolio standard.

SECTION 3. { + The amendments to ORS 469A.020 and 469A.025 by sections 1 and 2 of this 2010 Act apply to electricity generated on or after January 1, 2011. + }

SECTION 4. { + If this 2010 Act is declared unconstitutional, it is the intent of the Legislative Assembly that all sections amended by this 2010 Act shall remain in effect the same as if this 2010 Act had not been enacted. + }

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Section V. HB 3039B - Solar Feed in Tariff

Section V. HB 3039B Solar Feed in Tariff

Bill Number: HB 3039B

Year Passed: 2009

Affected RPS ORS: 469A.130, 469A.005 to 469A.210

Relating to qualifying renewable energy projects; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. { + As used in sections 1 to 5 of this 2009 Act:

(1) 'Electric company' has the meaning given that term in ORS 757.600.

(2) 'Nameplate capacity' means the maximum rated output of a generator or other electric power production equipment under specific conditions designated by the manufacturer.

(3) 'Qualifying system' means:

(a) An alternative energy system used for emergency backup power by a state agency or facility that is at least 30 percent more efficient than existing agency or facility sources, including fuel cells; or

(b) A solar photovoltaic energy system that:

(A) Meets the electric company's customer load service obligation as its primary purpose;

(B) Directly connects to an electric company's electrical system within this state or indirectly connects through the system of an electric company's retail electricity consumer or the electric system of a third party that is not an electric company's retail electricity consumer but whose system is located within this state;

(C) Has meters or other devices in place to monitor and measure the quantity of energy generated by the solar photovoltaic energy system; and

(D) Meets any other siting, design, interconnection, installation and electric output standards and codes required by the laws of this state.

(4) 'Resource value' means the estimated value to an electric company of the electricity delivered from a solar photovoltaic energy system associated with:

(a) The avoided cost of energy, including avoided fuel price volatility, minus the costs of firming and shaping the electricity generated from the facility;

(b) Avoided distribution and transmission cost; and

(c) The renewable energy certificates established under ORS 469A.130.

(5) 'Retail electricity consumer' means a retail electricity consumer, as defined in ORS 757.600, that is located in Oregon and is served by an electric company.

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(6) 'Solar photovoltaic energy system' means equipment and devices that have the primary purpose of collecting solar energy and generating electricity by photovoltaic effect. + }

SECTION 2. { + (1) Prior to April 1, 2010, the Public Utility Commission shall establish a pilot program for each electric company to demonstrate the use and effectiveness of volumetric incentive rates and payments for electricity delivered from solar photovoltaic energy systems that are permanently installed in this state by retail electricity consumers and that first become operational after the program begins. The cumulative nameplate capacity of the qualifying systems enrolled in all of the pilot programs may not exceed 25 megawatts of alternating current. Qualifying systems enrolled in the pilot program may not have nameplate generating capacity greater than 500 kilowatts.

(2) The commission by rule shall adopt requirements for the pilot programs described in subsection (1) of this section. Each electric company shall file for commission approval rate schedules for the pilot programs that conform to the requirements.

(3) The commission may establish incentive rates for the pilot programs to enable the development of the most efficient solar photovoltaic energy systems.

(4) A retail electricity consumer participating in a pilot program may receive payments based on the actual electricity generated from solar photovoltaic energy system output for 15 years from the consumer's date of enrollment in the program, at rates or through a rate formula in a rate schedule established at the time of enrollment. The consumer thereafter may receive payments based upon the actual electricity generated from the qualifying system at a rate equal to the resource value.

(5) The commission may adjust the rate schedule as needed for new pilot program participants for the purpose of meeting the goal established in subsection (1) of this section. Once a retail electricity consumer is enrolled in a program, the rates or rate formula for determining payments to the consumer may not be modified.

(6) The commission shall establish pilot programs designed to attain a goal of 75 percent of the energy under each program to be generated by smaller-scale qualifying systems within the allowed generating capacity range. The commission by rule shall define the size of a small-scale qualifying system and may adjust the definition of size for small-scale qualifying systems based upon the costs of the energy generated, the feasibility of attaining the goal and other factors. The commission may also adjust the maximum percentage goal of energy generated by small-scale qualifying systems based upon the same factors.

(7) The commission may establish total generator nameplate capacity limits for an electric company so that the rate impact of the pilot program for any customer class does not exceed 0.25 percent of the electric company's revenue requirement for the class in any year.

(8) Ownership of renewable energy certificates established under ORS 469A.130 that are associated with renewable energy

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generation that is sold to an electric company under the pilot programs must be transferred to the electric company and may be used to comply with the renewable portfolio standard described in ORS 469A.052 or 469A.055.

(9) To the extent that incentive rates paid for electricity delivered to each electric company under a pilot program exceed the resource value, qualifying systems participating in the pilot programs are not eligible for expenditures under ORS 757.612 (3)(b)(B) or tax credits under ORS 469.160 to 469.180 or 469.185 to 469.225.

(10) All prudently incurred costs associated with compliance with this section are recoverable in the rates of an electric company. The costs associated with the resource value are recoverable in the rates of all retail electricity consumers. Prudently incurred costs in excess of the resource value are recoverable from customer classes eligible for the pilot programs described in subsection (1) of this section.

(11) The commission shall advise and assist the owners and operators of qualifying systems in identifying and using grants, incentive moneys, federal funding and other sources of noninvestment financial support for the construction and operation of qualifying systems.

(12) The pilot programs described in subsection (1) of this section close to new participants on March 31, 2015, or when 25 megawatts of alternating current of nameplate capacity of solar photovoltaic energy systems have been permanently installed by retail electricity consumers under the pilot programs, whichever is earlier.

(13) The commission shall submit a report to the Legislative Assembly by January 1 of each odd-numbered year beginning in 2011. The report must evaluate the effectiveness of paying incentive rates under the pilot programs described in subsection (1) of this section compared to incentive rates described in subsection (9) of this section for promoting the use of solar photovoltaic energy systems and reducing system costs. The report must also evaluate the estimated cost of the program to retail electricity consumers. + }

SECTION 3. { + (1) On or before January 1, 2020, the total solar photovoltaic generating nameplate capacity, from qualifying systems generating at least 500 kilowatts, of all electric companies in this state must be at least 20 megawatts of alternating current with no single project greater than five megawatts of alternating current.

(2) For the purpose of complying with the solar photovoltaic generating capacity standard established by this section, on or before January 1, 2020, each electric company is required to maintain a minimum generating capacity from qualifying systems. The minimum generating capacity for each electric company is determined by multiplying 20 megawatts by a fraction equal to the electric company's share of all retail electricity sales made in this state in 2008 by all electric companies.

(3) For the purposes of sections 1 to 5 of this 2009 Act, capacity of a solar photovoltaic energy system is measured on the

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alternating current side of the system's inverter using the measurement standards set forth by the Public Utility Commission by rule. If the system does not use an inverter, the measurement shall be made at the direct current level.

(4) An electric company may satisfy the solar photovoltaic generating capacity standard established by this section with solar photovoltaic energy systems owned by the company or with contracts for the purchase of electricity from qualifying systems.

(5) All costs prudently incurred by an electric company to comply with the solar photovoltaic generating capacity standard established by this section are recoverable in the company's rates and are eligible for an automatic adjustment clause established by the commission under ORS 469A.120.

(6) Costs associated with compliance with the solar photovoltaic generating capacity standard established by this section are not above-market costs for purposes of ORS 757.600 to 757.689.

(7) The commission may adopt rules implementing and enforcing this section. + }

SECTION 4. { + (1) Any electricity produced from a qualifying system under section 3 of this 2009 Act that is physically located in this state may be used by an electric company to comply with the renewable portfolio standard established under ORS 469A.005 to 469A.210.

(2) For each kilowatt-hour of electricity produced from a qualifying system that first becomes operational before January 1, 2016, and generates at least 500 kilowatts, an electric company will be credited with two kilowatt-hours of qualifying electricity toward the company's compliance with the renewable portfolio standard under ORS 469A.005 to 469A.210, up to a maximum of 20 megawatts of capacity. + }

SECTION 5. { + Sections 1 to 5 of this 2009 Act apply only to qualifying systems that are solar photovoltaic energy systems. + }

SECTION 6. { + (1) Before constructing or renovating a major facility, an authorized state agency shall, after comparing various equipment options and to the greatest extent practicable, use fuel cell power systems for emergency backup power applications and for critical power applications in lieu of other equipment options.

(2)(a) The State Department of Energy shall, in consultation with the Oregon Department of Administrative Services, adopt rules establishing criteria for the comparison of fuel cell power systems and other equipment options required by subsection (1) of this section.

(b) Criteria to be established under this subsection must address:

(A) The impact of emissions, including but not limited to nitrous oxide, sulfur oxide, carbon monoxide, carbon dioxide and particulates, from various equipment options, on the environment, regardless of whether the equipment is installed indoors or installed outdoors;

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(B) Life cycle costs, including but not limited to acquisition costs, installation and commissioning costs, siting and permitting costs, maintenance costs and fueling and decommissioning costs; and

(C) The complexity of equipment options and any ancillary equipment. + }

SECTION 7. { + The Public Utility Commission shall report to the Legislative Assembly prior to January 1, 2011, on any recommended legislative changes to improve implementation of the pilot programs and any adjustments the commission has made by rule as authorized by section 2 of this 2009 Act to improve implementation of the pilot programs. In compiling its report, the commission shall also consider regulatory policies designed to increase the use of solar photovoltaic energy systems, make them more affordable, reduce the cost of incentive programs to utility customers and promote the development of the solar industry in Oregon. The commission's report must compare policy options with respect to their impact on utility customers and solar industry development in Oregon. + }

SECTION 8. { + Nothing in sections 1 to 5 and 6 of this 2009 Act affects the authority of the Public Utility Commission to set fair and reasonable rates as authorized under ORS 756.040

(1). + }

SECTION 9. { + Section 6 of this 2009 Act becomes operative on April 1, 2010. + }

SECTION 10. { + This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage. + }

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Section VI. HB 3690A - Amendment to HB 3039

Section VI. HB 3690A Amendment to HB 3039

**Bill Number: HB 3690A
Year Passed: 2010
Affected RPS ORS: 469A.130
Affected ORS: 757.360 and 757.365**

Relating to feed-in tariffs on solar photovoltaic energy systems; creating new provisions; amending ORS 757.360 and 757.365; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 757.360 is amended to read:
757.360. As used in ORS 757.360 to 757.380:

(1) 'Electric company' has the meaning given that term in ORS 757.600.

(2) 'Nameplate capacity' means the maximum rated output of a generator or other electric power production equipment under specific conditions designated by the manufacturer.

(3) 'Qualifying system' means:

(a) An alternative energy system used for emergency backup power by a state agency or facility that is at least 30 percent more efficient than existing agency or facility sources, including fuel cells; or

(b) A solar photovoltaic energy system that:

{ - (A) Meets the electric company's customer load service obligation as its primary purpose; - }

{ - (B) - } { + (A) + } Directly connects to an electric company's electrical system within this state or indirectly connects through the system of an electric company's retail electricity consumer or the electric system of a third party that is not an electric company's retail electricity consumer but whose system is located within this state;

{ - (C) - } { + (B) + } Has meters or other devices in place to monitor and measure the quantity of energy generated by the solar photovoltaic energy system; and

{ - (D) - } { + (C) + } Meets any other siting, design, interconnection, installation and electric output standards and codes required by the laws of this state.

{ + (4) 'Residential qualifying system' means a qualifying system with a nameplate capacity of 10 kilowatts or less. + }

{ - (4) - } { + (5) + } 'Resource value' means the estimated value to an electric company of the electricity delivered from a solar photovoltaic energy system associated with:

(a) The avoided cost of energy, including avoided fuel price volatility, minus the costs of firming and shaping the electricity generated from the facility; { + and + }

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(b) Avoided distribution and transmission cost { - ; and - }
{ - (c) The renewable energy certificates established under
ORS 469A.130 - } .

{ - (5) - } { + (6) + } 'Retail electricity consumer' means
a retail electricity consumer, as defined in ORS 757.600, that is
located in Oregon and is served by an electric company.

{ + (7) 'Small commercial qualifying system' means a
qualifying system with a nameplate capacity greater than 10
kilowatts and less than or equal to 100 kilowatts. + }

{ - (6) - } { + (8) + } 'Solar photovoltaic energy system'
means equipment and devices that have the primary purpose of
collecting solar energy and generating electricity by
photovoltaic effect.

SECTION 2. ORS 757.365 is amended to read:

757.365. (1) { - Prior to April 1, 2010, - } The Public
Utility Commission shall establish a pilot program for each
electric company to demonstrate the use and effectiveness of
volumetric incentive rates and payments for electricity { + or
for the nonenergy attributes of electricity, or both, + }
{ - delivered - } from solar photovoltaic energy systems that
are permanently installed in this state by retail electricity
consumers and that first become operational after the program
begins. The cumulative nameplate capacity of the qualifying
systems enrolled in all of the pilot programs may not exceed 25
megawatts of alternating current. Qualifying systems enrolled in
the pilot program may not have nameplate generating capacity
greater than 500 kilowatts.

(2) The commission by rule shall adopt requirements for the
pilot programs described in subsection (1) of this section. Each
electric company shall file for commission approval
{ - rate - } { + tariff + } schedules for the pilot programs
that conform to the requirements.

(3) The commission may establish incentive rates for the pilot
programs to enable the development of the most efficient solar
photovoltaic energy systems.

(4) A retail electricity consumer participating in a pilot
program may receive payments based on { - the actual - }
electricity generated from solar photovoltaic energy system
output for 15 years from the consumer's date of enrollment in the
program, at rates or through a rate formula in a { - rate - }
{ + tariff + } schedule established at the time of
enrollment { + , or at rates otherwise established at the time of
enrollment + }. The consumer thereafter may receive payments
based upon { - the actual - } electricity generated from the
qualifying system at a rate equal to the resource value.

(5) The commission may adjust the { - rate - }
{ + tariff + } schedule as needed for new pilot program
participants for the purpose of meeting the goal established in
subsection (1) of this section. Once a retail electricity
consumer is enrolled in a program, the rates or rate formula for
determining payments to the consumer may not be modified.

(6) The commission shall establish pilot programs designed to
attain a goal of 75 percent of the { - energy - } { +

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capacity + } under each program to be { - generated by - }
{ + deployed by residential qualifying systems and small
commercial qualifying systems. + } { - smaller-scale qualifying
systems within the allowed generating capacity range. - } The
commission by rule { - shall define the size of a small-scale
qualifying system and may adjust the definition of size for
small-scale qualifying systems - } { + may adjust the
percentage goal for capacity deployed by residential and small
commercial qualifying systems + } based upon the costs of the
energy generated, the feasibility of attaining the goal and other
factors. { - The commission may also adjust the maximum
percentage goal of energy generated by small-scale qualifying
systems based upon the same factors. - }

(7) The commission may establish total generator nameplate capacity limits for an electric company so that the rate impact of the pilot program for any customer class does not exceed 0.25 percent of the electric company's revenue requirement for the class in any year.

(8) Ownership of renewable energy certificates established under ORS 469A.130 that are associated with renewable energy generation { - that is sold to an electric company - } under the pilot programs must be transferred to the electric company and may be used to comply with the renewable portfolio standard described in ORS 469A.052 or 469A.055.

(9) To the extent that { - incentive - } rates paid { - for electricity delivered to each electric company - } under a pilot program exceed the resource value, qualifying systems participating in the pilot programs are not eligible for expenditures under ORS 757.612 (3)(b)(B) or tax credits under ORS 469.160 to 469.180 or 469.185 to 469.225.

(10) All prudently incurred costs associated with compliance with this section are recoverable in the rates of an electric company. { - The costs associated with the resource value are recoverable in the rates of all retail electricity consumers. Prudently incurred costs in excess of the resource value are recoverable from customer classes eligible for the pilot programs described in subsection (1) of this section. - }

(11) The commission shall advise and assist the owners and operators of qualifying systems in identifying and using grants, incentive moneys, federal funding and other sources of noninvestment financial support for the construction and operation of qualifying systems.

(12) The pilot programs described in subsection (1) of this section close to new participants on { + the earlier of:

(a) + } March 31, 2015 { - , or when 25 megawatts of alternating current of - } { + ; or

(b) The date the cumulative + } nameplate capacity of solar photovoltaic energy systems { + that + } have been permanently installed by retail electricity consumers under the pilot programs { - , whichever is earlier - } { + equals 25 megawatts of alternating current + }.

(13) The commission shall submit a report to the Legislative Assembly by January 1 of each odd-numbered year { - beginning

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in 2011 - } . The report must evaluate the effectiveness of
{ - paying incentive rates under - } the pilot programs
described in subsection (1) of this section compared to
{ - incentive rates described in subsection (9) of this
section - } { + the effectiveness of expenditures under ORS
757.612 (3)(b)(B) or tax credits under ORS 469.160 to 469.180 or
469.185 to 469.225 + } for promoting the use of solar
photovoltaic energy systems and reducing system costs. The report
must also evaluate the estimated cost of the program to retail
electricity consumers.

SECTION 3. { + (1) The Public Utility Commission shall
establish the pilot programs described in ORS 757.365 so that
they are available to customers no later than July 1, 2010.

(2) The commission shall submit the first report to the
Legislative Assembly under ORS 757.365 (13) no later than January
1, 2011. + }

SECTION 4. { + This 2010 Act being necessary for the immediate
preservation of the public peace, health and safety, an emergency
is declared to exist, and this 2010 Act takes effect on its
passage.

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Section VII. HB 3674 - Biomass et al.

Section VII. HB 3674 RPS Allowance for some Pre-1995 Biomass, Hydro, Anhydrous Ammonia, and Municipal Solid Waste

Bill Number: HB 3674

Year Passed: 2010

Affected RPS ORS: 469A.020 and 469A.025

Affected ORS:

Relating to renewable energy sources used to comply with a renewable portfolio standard; creating new provisions; amending ORS 469A.020 and 469A.025; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. **ORS 469A.020 is amended to read:**

469A.020. (1) Except as provided in this section, electricity may be used to comply with a renewable portfolio standard only if the electricity is generated by a facility that becomes operational on or after January 1, 1995.

(2) Electricity from a generating facility, other than a hydroelectric facility, that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to capacity or efficiency upgrades made on or after January 1, 1995.

(3) Electricity from a hydroelectric facility that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the electricity is attributable to efficiency upgrades made on or after January 1, 1995. If an efficiency upgrade is made to a Bonneville Power Administration facility, only that portion of the electricity generation attributable to Oregon's share of the electricity may be used to comply with a renewable portfolio standard.

(4) Subject to the limit imposed by ORS 469A.025 (5), electricity from a hydroelectric facility that is owned by an electric utility and that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the facility is certified as a low-impact hydroelectric facility on or after January 1, 1995, by a national certification organization recognized by the State Department of Energy by rule.

{ + (5)(a) Electricity from a generating facility located in this state that uses biomass and that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard if the facility meets the requirements of the federal Public Utility Regulatory Policies Act of 1978 (P.L. 95-617) on the effective date of this 2010 Act, regardless of whether the facility qualifies under the requirements of the Public Utility Commission.

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(b) Renewable energy certificates derived from electricity generated by a facility that qualifies under paragraph (a) of this subsection may not be used to comply with a renewable portfolio standard before January 1, 2026. However, renewable energy certificates issued before January 1, 2026, may be banked pursuant to ORS 469A.005 to 469A.210 for use on or after January 1, 2026.

(6) A facility located in this state that generates electricity from direct combustion of municipal solid waste and that became operational before January 1, 1995, may be used to comply with a renewable portfolio standard for up to 11 average megawatts of electricity generated per calendar year. Renewable energy certificates derived from electricity generated by a facility described in this subsection may not be used to comply with a renewable portfolio standard before January 1, 2026. However, renewable energy certificates issued before January 1, 2026, may be banked pursuant to ORS 469A.005 to 469A.210 for use on or after January 1, 2026. + }

SECTION 2. { + To facilitate the creation of hydrogen power stations using anhydrous ammonia as a fuel source to comply with a renewable portfolio standard under ORS 469A.005 to 469A.210, the Public Utility Commission may allow full recovery of costs by public utilities in prudent energy investments related to the planning, financing, construction and operation of hydrogen power stations. These investments may include, but need not be limited to:

(1) Systems designed to synthesize anhydrous ammonia fuel using electricity generated from renewable energy sources listed in ORS 469A.025;

(2) Infrastructure designed to store anhydrous ammonia generated from renewable energy sources as a nonpolluting fuel for electricity generation and any other purpose;

(3) Energy systems designed to use anhydrous ammonia generated from renewable energy sources as a fuel to generate electricity; and

(4) Electronic control and management systems designed to effectively integrate hydrogen power station processes into the electricity transmission grid. + }

SECTION 3. ORS 469A.025 is amended to read:

469A.025. (1) Electricity generated utilizing the following types of energy may be used to comply with a renewable portfolio standard:

- (a) Wind energy.
- (b) Solar photovoltaic and solar thermal energy.
- (c) Wave, tidal and ocean thermal energy.
- (d) Geothermal energy.

(2) Except as provided in subsection (3) of this section, electricity generated from biomass and biomass by-products may be used to comply with a renewable portfolio standard, including but not limited to electricity generated from:

- (a) Organic human or animal waste;
- (b) Spent pulping liquor;
- (c) Forest or rangeland woody debris from harvesting or

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thinning conducted to improve forest or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;

(d) Wood material from hardwood timber grown on land described in ORS 321.267 (3);

(e) Agricultural residues;

(f) Dedicated energy crops; and

(g) Landfill gas or biogas produced from organic matter, wastewater, anaerobic digesters or municipal solid waste.

(3) Electricity generated from the direct combustion of biomass may not be used to comply with a renewable portfolio standard if any of the biomass combusted to generate the electricity includes

{ - : - }

{ - (a) Municipal solid waste; or - }

{ - (b) - } wood that has been treated with chemical preservatives such as creosote, pentachlorophenol or chromated copper arsenate.

(4) Electricity generated by a hydroelectric facility may be used to comply with a renewable portfolio standard only if:

(a) The facility is located outside any protected area designated by the Pacific Northwest Electric Power and Conservation Planning Council as of July 23, 1999, or any area protected under the federal Wild and Scenic Rivers Act, { - Public Law - } { + P.L. + } 90-542, or the Oregon Scenic Waterways Act, ORS 390.805 to 390.925; or

(b) The electricity is attributable to efficiency upgrades made to the facility on or after January 1, 1995.

(5) Up to 50 average megawatts of electricity per year generated by an electric utility from certified low-impact hydroelectric facilities described in ORS 469A.020 (4) may be used to comply with a renewable portfolio standard, without regard to the number of certified facilities operated by the electric utility or the generating capacity of those facilities. A hydroelectric facility described in this subsection is not subject to the requirements of subsection (4) of this section.

{ + (6)(a) Direct combustion of municipal solid waste in a generating facility located in this state may be used to comply with a renewable portfolio standard. The qualification of a municipal solid waste facility for use in compliance with a renewable portfolio standard has no effect on the qualification of the facility for a tax credit under ORS 469.185 to 469.225.

(b) The total amount of electricity generated in this state by direct combustion of municipal solid waste by generating facilities that became operational in this state on or after January 1, 1995, may not exceed nine average megawatts per year for the purpose of complying with a renewable portfolio standard. + }

{ - (6) - } { + (7) + } Electricity generated from hydrogen gas { + , including electricity generated by hydrogen power stations using anhydrous ammonia as a fuel source, + }

{ - derived from any source of energy described in subsections (1) to (5) of this section - } may be used to comply with a renewable portfolio standard { + if:

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(a) The electricity is derived from:

(A) Any source of energy described in subsection (1) or (2) of this section; or

(B) A hydroelectric facility that complies with subsection (4) of this section and that is certified as a low-impact hydroelectric facility as described in ORS 469A.020 (4); and

(b) The output of the original source of energy is not also used to comply with a renewable portfolio standard + }.

{ - (7) - } { + (8) + } If electricity generation employs multiple energy sources, that portion of the electricity generated that is attributable to energy sources described in { - subsections (1) to (6) of - } this section may be used to comply with a renewable portfolio standard.

{ - (8) - } { + (9) + } The State Department of Energy by rule may approve energy sources other than those described in this section that may be used to comply with a renewable portfolio standard. The department may not approve petroleum, natural gas, coal or nuclear fission as an energy source that may be used to comply with a renewable portfolio standard.

SECTION 4. { + The State Department of Energy may certify as eligible for renewable energy certificates a facility that qualifies under ORS 469A.020 (5) and (6) and 469A.025 (6) and (7) only for electricity generated on or after January 1, 2011. + }

SECTION 5. { + To be eligible for renewable energy certificates, the owner or operator of a generating facility that qualifies under ORS 469A.020 (5) and (6) and 469A.025 (6) and (7) must register the generating facility with the Western Renewable Energy Generation Information System or other regional system or trading program designated by the State Department of Energy before January 1, 2011. + }

SECTION 6. { + If any provision of this 2010 Act is declared unconstitutional, it is the intent of the Legislative Assembly that all sections amended or repealed by this 2010 Act shall remain in effect the same as if this 2010 Act had not been enacted. + }

SECTION 7. { + This 2010 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2010 Act takes effect on its passage. + }

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Section VIII. Low Impact Hydro Temporary Rule

Section VIII. OAR Division 160 - Low Impact
Hydro Temporary Rules¹

Administrative Rule: Division 160
Stat. Auth.: ORS 469A.130
Stats. Implemented: ORS 469A.130 - 469A.145
Hist.: DOE 6-2008, f. & cert. ef 9-3-08
Temporary Rule filed:

DIVISION 160

ESTABLISH A RENEWABLE ENERGY CERTIFICATE SYSTEM FOR THE
OREGON RENEWABLE PORTFOLIO STANDARD (RPS)

330-160-0005

Purpose

The purpose of these rules is to establish a system of renewable energy certificates to provide a means of compliance with the Oregon Renewable Portfolio Standard (RPS).
Stat. Auth.: ORS 469A.130.
Stats. Implemented: ORS 469A.130 - ORS 469A.145.

330-160-0015

Definitions

For the purposes of Oregon Administrative Rules, Chapter 330, Division 160, the following definitions apply unless the context requires otherwise:

- (1) "Banked Renewable Energy Certificate" has the meaning in ORS 469A.005.
- (2) "Bundled Renewable Energy Certificate" has the meaning in ORS 469A.005.
- (3) "Compliance Year" has the meaning in ORS 469A.005.
- (4) "Department" means the Oregon Department of Energy.
- (5) *"Director" means the Director of the Oregon Department of Energy.*
- (6) "Electricity Service Supplier" has the meaning in ORS 469A.005.

¹ Language in italics represents temporary changes to existing administrative rule.

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Section VIII. Low Impact Hydro Temporary Rule

(7) "Electric Utility" has the meaning in ORS 469A.005. (8) "Qualifying Electricity" has the meaning in ORS 469A.005.

(8) "Renewable Energy Certificate" (REC or Certificate) means a unique representation of the environmental, economic, and social benefits associated with the generation of electricity from renewable energy sources that produce Qualifying Electricity. One Certificate is created in association with the generation of one megaWatt-hour (MWh) of Qualifying Electricity. While a Certificate is always directly associated with the generation of one MWh of electricity, transactions for Certificates may be conducted independently of transactions for the associated electricity.

(9) "Renewable Energy Source" has the meaning in ORS 469A.005.

(10) "RPS" means the Oregon renewable portfolio standard as established in ORS 469A.

(11) "Unbundled Renewable Energy Certificate" has the meaning in ORS 469A.005.

(12) "Vintage" means the month and year that qualifying electricity was created in accordance with WREGIS protocol.

(13) "WREGIS" means the Western Renewable Energy Generation Information System which is the renewable energy certificate tracking and reporting system established by the California Energy Commission and the Western Governors Association and governed by the Western Electricity Coordinating Council for use by states and provinces throughout the western power interconnection.

Stat. Auth.: ORS 469A.130.

Stats. Implemented: ORS 469A.130 - ORS 469A.145

330-160-0020

Establishment of Renewable Energy Certificate System

(1) Renewable energy certificates that are issued, monitored, accounted for and transferred by or through the regional renewable energy certificate system and trading mechanism known as the Western Renewable Energy Generation Information System (WREGIS) shall be the only renewable energy certificates that can be used by an electric utility or electricity service supplier to establish compliance with the Oregon Renewable Portfolio Standard (RPS).

(2) All entities that wish to demonstrate compliance or participate in the renewable energy certificate system associated with the Oregon RPS must establish and maintain accounts in good standing with the WREGIS renewable energy certificate system. These entities must comply with all information, data reporting and verification requirements of WREGIS and the WREGIS Operating Rules, including costs required for compliance. These accounts must be established before January 1, 2009 or before the earliest vintage of Certificate to be used to comply with the Oregon RPS, whichever is later.

(3) All entities that wish to demonstrate compliance or participate in the renewable energy certificate system associated with the Oregon RPS must

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participate in the system in accordance with the WREGIS Operating Rules. The Operating Rules for WREGIS are publicly available from the WREGIS web site at www.wregis.org/content/blogcategory/26/47/ under the "Operating Rules" section. If there are substantial changes to the WREGIS Operating Rules which, at the Director's discretion, may significantly impact the ability of the WREGIS renewable energy certificate system to facilitate the Oregon RPS the Director may, after public consultation with interested parties, implement rulemaking to address those concerns.

Stat. Auth.: ORS 469A.130.
Stats. Implemented: ORS 469A.130.

330-160-0025

Types of Renewable Energy Certificates

A bundled or unbundled renewable energy certificate may be used to comply with the RPS when it is issued through the WREGIS renewable energy certificate system, is identified within the WREGIS as Oregon-eligible, and is otherwise consistent with the rules and requirements of the Oregon RPS. The Department, acting through the appropriate WREGIS protocol, will identify those generating facilities eligible for creation of Certificates that can be used to satisfy the Oregon RPS.

(1) A bundled renewable energy certificate must include documentation that one megawatt-hour of energy was associated with the transfer of the WREGIS renewable energy certificate to the electric utility or electricity service supplier. This documentation shall consist of a completed data field in the WREGIS certificate that contains a valid North American Electric Reliability Corporation (NERC) electronic tagging number ("e-Tag") or another unique identification value adopted by the WREGIS that indicates one megawatt-hour of energy was delivered to:

(a) the transmission system of the electric utility, or to a delivery point designated by an electric utility for the purposes of subsequent delivery to the electric utility; or

(b) the Bonneville Power Administration for delivery, or subsequent delivery, to an electric utility.

(2) A bundled renewable energy certificate does not need to demonstrate that the electricity identified by the NERC e-Tag is qualifying electricity or that the originating source identified by the NERC e-Tag is a renewable energy source.

Stat. Auth.: ORS 469A.130.
Stats. Implemented: ORS 469A.135 - ORS 469A.145.

330-160-0030

Allowed Vintage of Renewable Energy Certificates

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(1) The system of renewable energy certificates established through this rule may be used to comply with or participate in the Oregon RPS through the use of Certificates with a vintage of January 2007 or later.

(2) No renewable energy certificate that derives from the WREGIS renewable energy certificate system with a vintage before January 2007 will be eligible for compliance with the Oregon RPS.

(3) Banked renewable energy certificates with a vintage of January 2007 or later, both bundled and unbundled, may be held for future use within the WREGIS renewable energy certificate system to comply with the Oregon RPS.

(4) Generating facilities that produce qualifying electricity shall be eligible to receive certificates associated with generation beginning on January 1, 2007.

Stat. Auth.: ORS 469A.130.

Stats. Implemented: ORS 469A.130.

330-160-0040

Low-impact Hydro Electric Facilities

Pursuant to ORS 469A.020(4), the Department recognizes the Low Impact Hydropower Institute (LIHI) as the national agency to certify hydroelectric facilities as low impact for purposes of the Oregon RPS. A hydroelectric generation facility with current certification from the Low Impact Hydropower Institute and that complies with other requirements of ORS 469A is eligible for the Oregon RPS.