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Senate votes to move Oregon toward clean energy

SB 1547 phases out state's reliance on coal power

SALEM – The Oregon Senate today passed a bill that will move Oregon away from fossil fuels and toward clean energy sources.

Senate Bill 1547 – which passed the Oregon Senate on a 17-12 vote concurring with House of Representatives amendments – requires electric companies to eliminate coal-fired resources from their electrical supply by Jan. 1, 2030. It revises the state's renewable energy portfolio standard and creates a community solar program. The bill is a priority of Gov. Kate Brown and the Oregon Senate Democrats for the 2016 Legislative Session.

"Climate change is the most pressing issue facing mankind," said Sen. Lee Beyer (D-Springfield), who carried the bill. "This bill helps to move Oregon away from fossil fuel energy production and toward a healthier future with clean energy. This strikes a good balance between phasing in clean energy sources for all of Oregon's electricity supply while taking into account the needs of utilities and rate-payers."

Oregon's renewable Portfolio Standard was created in 2007 through Senate Bill 838. It requires Oregon utilities to obtain a certain percentage of their retail electricity from qualified renewable resources. Under current law, Oregon's three largest utilities – Portland General Electric, PacifiCorp and the Eugene Water and Electric Board – are required to obtain 5 percent of their electricity supply from renewables by 2011, 20 percent by 2020 and 25 percent by 2025. For other consumer-owned electric utilities in the state, the current renewable portfolio standard varies between 5 and 10 percent of energy supply by 2025, depending on the size of

the utility. SB 1547 increases the Renewable Portfolio Standard for the three largest utilities, requiring 50 percent of electricity from renewable energy by 2040. Under SB 1547, the Renewable Portfolio Standard does not change for smaller, consumer-owned utilities.

In addition to the coal elimination and RPS increase, the bill also makes changes to the criteria for generating renewable energy certificates, ensures facility decommissioning costs are recovered, establishes a program for community renewable projects and incents development of electric vehicle infrastructure throughout the state.

The bill gives the Public Utility Commission broad rule-making and regulatory authority, capping the annual rate increase at 4 percent and establishing a mechanism for exemption of compliance would result in significant adverse financial impact to Oregon ratepayers. The Public Utility Commission will be required to report back to the Oregon Legislature.

“This bill strikes a good compromise to help the state reach meaningful clean energy goals and also provides the regulatory authority to the Public Utility Commission to protect ratepayers’ interests,” said Sen. Chris Edwards (D-Eugene). “Including biomass in this bill is good for our rural natural resource-based economy, which now is able to participate in efforts to clean up Oregon’s energy portfolio.”

SB 1547 now goes to Gov. Kate Brown for signature.

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