



Oregon

Theodore R. Kulongoski, Governor



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Oregon Department of Energy Legislative Proposals for 2007

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The Oregon Department of Energy has five legislative proposals. They include the following:

- 1. Business Energy Tax Credit (BETC) Changes.** Increase credit for renewable energy from 35% to 50% and the project cost limit from \$10 million to \$20 million. Remove the reduction in BETC for projects also receiving a federal tax credit, and provide incentive to builders of homes that use no net energy.
- 2. Residential Energy Tax Credit (RETC) Changes.** Allow homebuilders who install solar and other renewables in new homes to receive the RETC. Allow use of the RETC more than once in the same years, e.g. for a solar water heater and for a solar electric system. Increase the tax credit for fuel cells, similar to the increase in solar electric systems last session.
- 3. State Agency Renewable Energy Projects.** Re-introduce SB 737 from last session, which authorizes state agencies to develop renewable energy on state forests, campuses and other state lands. This will help achieve the Governor's goal for state agencies to meet 100% of their electricity needs from renewables by 2010.
- 4. Biofuels Package.** Reintroduce the biofuels package, HB 3481 from last Session.
- 5. Renewable Portfolio Standard (RPS).** Introduce a placeholder for establishing a Renewable Portfolio Standard (RPS) for electricity. The placeholder will require that 25% of Oregon's electric load come from new renewable energy by 2025, per the Governor's announcement. Details such as how the percentage is determined, how publicly-owned utilities are treated, and others are yet to be worked out by the Governor's Renewable Energy Working Group.