

Oregon's Renewable Energy Action Plan

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Renewable Energy Action Plan (REAP)

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Prepared by the
Oregon Department of Energy
for
Governor Ted Kulongoski



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ENERGY

www.oregon.gov/energy

- Finalized in 2005
- Outlines goals, actions, and initiatives for renewable energy in Oregon
- Delegates specific action items to state agencies
- Many other tasks are given to additional work groups

REAP Structure

- Goals: Short Term (before 2006) and Long Term (2007 - 2025).
- Initiatives: Legislative and those initiated by the Governor's Office.
- Actions: General (cross-cutting) and resource specific for the Renewable Energy Working Group, state agencies, and the university system. Some are tasked to other working groups.

Long-Term REAP Goals

- New (i.e., post-1999) renewable energy generation will meet 10% of Oregon's total load by 2015; 25% of the load by 2025
- 25% of state government's total electricity needs will be met by new renewable energy sources by 2010; 100% by 2025



Long-Term REAP Goals

- All diesel fuel sold in Oregon will contain 5% biodiesel by 2010, growing to 20% by 2025.
- All standard gasoline sold in Oregon will contain 10% ethanol by 2010.
- 5% of all gasoline sold in Oregon will be an E-85 blend of ethanol and gasoline by the year 2015, growing to 15% by 2025.

Oregon's Renewable Energy Working Group (REWG)

- Charter is to guide implementation of the REAP
- Members are stakeholders from energy industry, utilities, academia, environmental advocacy, business community, and the legislature.
- Began meeting monthly in February 2006
- Primary focus has been legislative so far

Oregon REWG

- Currently on hiatus, while the legislative session is in progress.
- Will meet this summer to debrief from the legislative session and discuss next steps.
- Will continue to help set the direction for renewable energy, with assistance and input from other resource work groups and agencies.



Legislative Initiatives

- The REWG assisted with the Governor-supported bills related to renewable energy proposed for 2007:
 - Biofuels Package - *HB 2210*
 - Business Energy Tax Credit (BETC) Changes - *HB 2211*
 - Residential Energy Tax Credit (RETC) Changes - *HB 2212*
 - **Renewable Portfolio Standard (RPS) - *SB 838***

Oregon RPS

Establishes a renewable energy standard for electricity in Oregon. The bill includes the following key provisions:

- Requirement of 25% of electric load by 2025 applies to electric utilities & any electricity service suppliers that serve at least 1.5% of Oregon's electric load.
- Covers the 3 investor-owned electric utilities & the 6 largest consumer-owned utilities. This will likely include most of the new resources needed to meet these utilities' new load.
- The RPS sets interim targets of 5% by 2011, 15% by 2015, and 20% by 2020.

Oregon RPS (Cont.)

- Oregon's 31 smaller consumer-owned utilities are exempt from the 25% standard; must meet 5% of load from new renewable energy by 2025.
- Eligible resources: wind, solar, ocean, biomass, geothermal, hydropower & other renewable resources that were operational after 1/1/95.
- Generating facilities do not have to be located in Oregon but at least 80% of the electricity from these resources must serve Oregon loads.

Oregon RPS (Cont.)

- No utility will be required to give up its existing resources to comply with the RPS.
- No utility will be required to give up access to low-cost firm power from BPA or low-cost hydro contracts with the Mid-Columbia dams owned by Washington PUDs.
- The RPS is not expected to increase rates; but a cost cap is built in as a backstop to limit any possible cost impact.

Oregon RPS (Cont.)

- Compliance occurs by owning eligible resources, buying output of resources developed by others, or acquiring Renewable Energy Certificates.
- Public purpose charge would extend through 2025. Use of renewable energy portion of the public purpose charge is limited to small-scale renewable projects (20 MW or less) to encourage diversity among new energy resources.
- Non-binding goal that 1/3 of the energy resources will be small-scale renewable projects.

REAP Working Groups

- Existing networks are tackling some of the Resource Specific plan actions:
 - Biomass Coordinating Committee & subgroups
 - Wind Working Group
 - Geothermal Working Group
 - Solar Energy Working Group
 - Ocean Energy Groups
 - **Still need** –
Hydro Working Group



Small Hydro Tasks in REAP

- Explore feasibility of multi-purpose upstream small storage facilities for use in micro-hydro projects
- Seek funding to defray costs of water rights permitting for micro-hydro projects
- Assist irrigation & water service districts to identify sites where untapped micro-hydro could be developed
- Other tasks are delegated to state agencies, including: streamlining rules, policy coordination, identifying resources, and disseminating public information

For More Information

- Visit Oregon Department of Energy's website <http://www.oregon.gov/energy> and click on "Renewable Energy" in the left column
- Contact the Renewable Energy Division in Salem at **1-800-221-8035**