

Renewable Energy Action Plan Tasks

WORKING DRAFT - (5-5-06)

	<p>Solar: (Note: the following actions on solar were not part of the original Renewable Energy Action Plan. They were recommended to the REWG by the Oregon Solar Coalition in April 2006 and are identified by a number preceded by the letter "S")</p>	<p>Purpose and Context</p>	<p>Status</p>
<p>S-1</p>	<p><u>Workforce Development:</u> Recommend state workforce development grants be used for training programs that can build a qualified workforce across the state. Special emphasis should be given to those programs that can enable distance or non-work hour education and involve current higher education and research centers.</p>	<p>The combined efforts of the Energy Trust of Oregon (ETO) and the Oregon Department of Energy (ODOE), Lane Community College (LCC) and the Oregon Solar Energy Industries Association (OSEIA) have established fledgling workforce training and development programs. The problem is that the industry is spread across the entire state without sufficient training opportunities for those unable to access training in Eugene or take time off during normal business hours.</p>	<p>Training and certification programs are at Lane Community College in Eugene.</p>
<p>S-2</p>	<p><u>Improve net metering:</u> Recommend the OPUC adopt net metering rules that require PGE and PacifiCorp to implement annualized net metering and to increase the maximum allowable system size. No legislative change is needed.</p>	<p>Annualized net metering is simpler and less costly to administer than monthly programs. It enables consumers using a seasonal resource like solar to bank summer surplus credit to meet wintertime energy use. Annualized net metering is available in two thirds of the states that currently offer net metering. It is essential for widespread market adoption of utility interactive PV systems.</p>	
<p>S-3</p>	<p><u>Oregon Manufacturing:</u> Provide financial incentives or reduced risk for manufacturers of solar equipment that locate in Oregon. Potential mechanisms:</p> <ul style="list-style-type: none"> • Establish a PV manufacturing grant • Increase BETC maximum eligible project size to \$20 M • Provide bond financing specific to PV manufacturing • Require new state buildings to include Oregon built PV or ST technologies 	<p>The worldwide market for PV and ST is now in excess of \$30 billion per year. The California market alone will exceed \$1 billion in 2006. Manufacturing investments needed to meet world demand are estimated at \$10-20 billion in 2006. Oregon should not miss the opportunity to attract and support development of a solar energy industry "cluster" or multiple clusters within the state.</p>	

S-4	<u>Streamline Codes and Interconnection Standards</u> : Recommend the Oregon Department of Energy host a stakeholders workshop to help establish statewide uniform interconnection, permitting and inspection criteria for solar equipment with recommendations submitted to the Governor's office and state legislature.	Significant barriers and uncertainty remain for the installation company selling and bidding on a project caused by inconsistent interconnection, permitting and inspection standards.	
S-5	<u>New Construction</u> : Recommend legislation that enables speculative home builders to use state business energy tax credits for new residential construction that incorporates solar energy technologies which results in "zero net energy" homes.	New construction offers the most logical opportunity for solar energy technologies to be successful without the need for incentives. They provide energy at retail rates, increase the value of the home or building, and offset peak load most effectively. Unfortunately, the current incentive structures are primarily targeted at retrofit applications. Builders have little or no interest taking all the risk of installing solar equipment when the incentives and benefits go to the homebuyer. Moreover, if the homebuyer is from out-of-state, they cannot use the incentive, even though the equipment is placed in service in Oregon.	
S-6	<u>Continue Existing Levels of Financial Support</u> : Include PV and ST set aside in financial support recommendations.	The past 5 years have seen significant growth in both the scale and maturity of the Oregon solar energy industry. The reason for this has been consumer access to significant financial support for installing photovoltaic (PV) and solar thermal (ST) systems. Incentives have reduced simple paybacks on these technologies to less than 10 years.	