

# House Bill 3645

Sponsored by Representative GILLIAM (Pre-session filed.)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Allows public utility full cost recovery for hydrogen power station investments. Allows hydrogen power stations using anhydrous ammonia to qualify for renewable portfolio standards.

## A BILL FOR AN ACT

1 Relating to hydrogen power; creating new provisions; and amending ORS 469A.025.

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

3 **SECTION 1. The Public Utility Commission shall allow full recovery of costs by public**  
4 **utilities in prudent energy investments related to the planning, financing, construction and**  
5 **operation of hydrogen power stations. These investments include, but are not limited to:**

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

8 (2) **Infrastructure designed to store anhydrous ammonia generated from renewable en-**  
9 **ergy sources as a nonpolluting fuel for electric power generation and for other purposes;**

10 (3) **Energy systems designed to use anhydrous ammonia generated from renewable en-**  
11 **ergy sources as a fuel to generate electric power; and**

12 (4) **Electronic control and management systems designed to effectively integrate hydro-**  
13 **gen power station processes into the electric power grid.**

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

15 469A.025. (1) Electricity generated utilizing the following types of energy may be used to comply  
16 with a renewable portfolio standard:

17 (a) Wind energy.

18 (b) Solar photovoltaic and solar thermal energy.

19 (c) Wave, tidal and ocean thermal energy.

20 (d) Geothermal energy.

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

24 (a) Organic human or animal waste;

25 (b) Spent pulping liquor;

26 (c) Forest or rangeland woody debris from harvesting or thinning conducted to improve forest  
27 or rangeland ecological health and to reduce uncharacteristic stand replacing wildfire risk;

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

29 (e) Agricultural residues;

30 (f) Dedicated energy crops; and  
31

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

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

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

5 (a) Municipal solid waste; or

6 (b) Wood that has been treated with chemical preservatives such as creosote, pentachlorophenol  
 7 or chromated copper arsenate.

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

10 (a) The facility is located outside any protected area designated by the Pacific Northwest Elec-  
 11 tric Power and Conservation Planning Council as of July 23, 1999, or any area protected under the  
 12 federal Wild and Scenic Rivers Act, Public Law 90-542, or the Oregon Scenic Waterways Act, ORS  
 13 390.805 to 390.925; or

14 (b) The electricity is attributable to efficiency upgrades made to the facility on or after January  
 15 1, 1995.

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

21 (6) Electricity generated from hydrogen gas, **including electricity generated by hydrogen**  
 22 **power stations using anhydrous ammonia as a fuel source**, [*derived from any source of energy*  
 23 *described in subsections (1) to (5) of this section*] may be used to comply with a renewable portfolio  
 24 standard[,] **if the energy:**

25 (a) **Is derived from any source of energy described in subsections (1) to (3) of this section;**  
 26 **or**

27 (b) **Is derived from a hydroelectric facility that complies with subsection (4) of this sec-**  
 28 **tion and is from a certified low-impact hydroelectric facility described in ORS 469A.020 (4).**  
 29 **Energy from certified low-impact hydroelectric facilities described in ORS 469A.020 (4) used**  
 30 **to generate electricity from hydrogen gas is not subject to the limits on the amount of**  
 31 **electricity generated by such facilities set forth in subsection (5) of this section.**

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

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

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