

PUBLIC HEARING AND
WORK SESSION ON SB 892,
HB2614, AND HB 2695-A TAPES 155 - 156 A/B

SENATE REVENUE COMMITTEE

MAY 20, 1997 - 9:00 A.M. - HEARING ROOM B - STATE CAPITOL BUILDING

Members Present: Sen. Ken Baker, Chair

Sen. Joan Dukes (left meeting at 9:15 a.m.)

Sen. Verne Duncan

Sen. Tom Hartung

Sen. Randy Leonard (arrived at 9:15 a.m.)

Members Excused: Sen. Neil Bryant, Vice Chair

Witnesses: Emily Cedarleaf, Executive Director, Multifamily Housing Council
of Oregon

Mike Graine, Office of Energy

Steve Vincent, WP Natural Gas

Brent Gunderson, President, Sun, Wind and Fire, and Past President of
Oregon Solar Energy Industries Association

Staff: Steve Meyer, Economist

Brian Reeder, Economist

Carol Phillips, Committee Assistant

-

TAPE 155, SIDE A

005 Chair Baker Opened meeting at 9:09 a.m.

OPENED PUBLIC HEARING ON HB 2695-A

019 Emily Cederleaf Exhibit D - Written testimony in favor of bill. Multifamily Housing Council of Oregon is a trade association of over 3,200 members of people who own, manage, develop, or build residential rental properties, single-family, multi-family, mobile home parks, and manufactured dwelling parks. In Oregon owners of rental property can manage it and make business decisions regarding that property. If someone else manages a property for an owner, that manager must have a real estate license.

029 Cederleaf Real Estate Division regulations require that if an owner pays compensation to another party for a tenancy application referral, that indicates paying compensation to someone who is not real estate licensed. HB 2695 will allow a property owner to direct a real estate licensee managing an owner's property to pay referral fees to tenants who refer other applicants. This is not meant to override Real Estate Division regulations; it is merely to allow a real estate licensee to help an owner in locating tenant applicants. There was no testimony opposing this bill when it was discussed in the House.

CLOSED PUBLIC HEARING ON HB 2695

OPENED WORK SESSION ON HB 2695

MOVES HB 2695 TO THE SENATE FLOOR WITH DO PASS RECOMMENDATION.

049 Chair Baker ROLL CALL VOTE: MOTION PASSES: 4 - 0 - 2

SENATORS VOTING AYE: DUKES, DUNCAN, HARTUNG, BAKER.

SENATORS ABSENT: LEONARD, BRYANT

Sen. Baker will carry the bill on the Senate Floor.

CLOSED WORK SESSION ON HB 2695

OPENED PUBLIC HEARING ON HB 2614

071 Steve Meyer Discussed Exhibit E - Staff Measure Summary about this bill. This bill deals with municipal audits which are currently required annually with some exceptions. This particular exception increases the amount for when an audit is not required from \$100,000 to \$150,000 if receipts are less than that amount. The municipal corporation must submit financial statements to the Secretary of State within 90 days following the end of the year. There must be a certificate verifying a performance bond in an amount at least equal to the total amount of money received by the district. This effectively exempts a few more municipalities from having to do an expensive annual audit if their receipts are less than \$150,000. Questions and discussion interspersed.

CLOSED PUBLIC HEARING ON HB 2614

OPENED WORK SESSION ON HB 2614

MOVES HB 2614 TO THE SENATE FLOOR WITH DO PASS RECOMMENDATION.

103 Chair Baker ROLL CALL VOTE: MOTION PASSES: 4 - 0 - 2
SENATORS VOTING AYE: DUNCAN, HARTUNG, LEONARD, BAKER.
SENATORS ABSENT: DUKES, BRYANT
Sen. Duncan will carry the bill on the Senate Floor.

CLOSED WORK SESSION ON HB 2614

OPENED PUBLIC HEARING ON SB 892

121 Mike Grainey Exhibit M - Written testimony in favor of bill. Discussed Exhibit L - (-1) Amendments to SB 892. Has worked with utility companies and representatives of the solar industry to give more effective incentives for solar and other renewable resources and energy conservation than was in the bill as originally introduced. Further discussion of points of the (-1) Amendments. Questions and discussion.

204 Steve Vincent Exhibit N - Written testimony in favor of bill. Section 8 of the (-1) Amendments lists types of alternative fuel allowable for alternative fuel fleet vehicles (which include but are not limited to electricity, ethanol, methanol, gasohol, propane or natural gas). Section 9 increases allowable project costs from \$100,000 to \$500,000.

233 Brent Gunderson Exhibit O - Written testimony in favor of bill. He is original sponsor of SB 892. Stated that companies like Enron are in favor of SB 892. Seventeen states in US have passed net metering laws. Net metering standardizes the connection of a homeowner who wants to pay their own money to install solar panels and make their own electricity. This would standardize interconnections and provide National Electric Code ("NEC") and Underwriters Laboratories ("UL") approvals. At present under the current system in Oregon a homeowner can install net metering, but every electric jurisdiction has final decision to accept or reject connection to that utility.

271 Gunderson The net metering bill provides customers and utilities a level playing field. With this system there is only one meter to read instead of two. These panels make electricity when sun shines on them; they do not produce electricity at night. They generate electricity during the day and send electricity into the house; whatever the house does not consume is sent back to the power company and makes the electricity meter spin backwards. Meters spin both ways: one way to measure electricity consumed; reverse to measure electricity being sent back to a utility company.

331 Gunderson Assured Members this concept is safe. Eighty-eight national utilities are all interested in photovoltaic power. This is happening all over the country; but the question is when will Oregon get on board.

342 Gunderson Regarding the (-1) Amendments, stated he supports them. Questions and discussion interspersed.

373 Graineey (-1) Amendments delete Sections 1, 2, and 3 of the bill. While the Office of Energy generally supports the concept of net metering, there have been concerns raised by utilities regarding how net metering fits in with deregulation. Questions have been raised about safety and reliability. Different utilities have different standards. Issue if PUC would set standards for public utilities. Questions and discussion interspersed.

437 Chair Baker To his knowledge in individual cases negotiations happen between individuals and their local utility. Chair Baker feels this may be a concept which should be addressed under power deregulation. Supports bill but does not know about inter-ties and complications. Thinks net metering is a great concept.

453 Sen. Hartung Noticed on the sample panel the name "BP Solar" and asked if that was British Petroleum.

TAPE 156, SIDE A

Confirmed that British Petroleum builds these panels at a factory in Spain at present but

that factories all over the US will be building them soon. Bell Laboratories invented the solar cell in 1955. NASA used them to propel satellites in space and still does today. In 1970s solar panels started to be used by individuals. They were used in remote homes in the past, but within the last three years they have started to be installed in urban homes. Questions and discussion.

CLOSED PUBLIC HEARING ON SB 892

OPENED WORK SESSION ON SB 892

051 Chair Baker MOVES ADOPTION OF (-1) AMENDMENTS TO SB 892 BE ADOPTED. HEARING NO OBJECTION, THE CHAIR SO ORDERED.

MOVES SB 892 TO THE SENATE FLOOR WITH DO PASS RECOMMENDATION.

053 Chair Baker ROLL CALL VOTE: MOTION PASSES: 4 - 0 - 2
SENATORS VOTING AYE: DUNCAN, HARTUNG, LEONARD, BAKER.

SENATORS ABSENT: DUKES, BRYANT

Sen. Hartung will carry the bill on the Senate Floor.

077 Chair Baker Adjourned meeting at 9:41 a.m.

Carol Phillips

Committee Assistant

Kim James

Office Manager

-

Exhibit Summary:

- A. HB 2695, Meyer, Staff Measure Summary, 1 page
- B. HB 2695, Meyer, Fiscal Impact Statement, 1 page
- C. HB 2695, Meyer, Revenue Impact Statement, 1 page
- D. HB 2695, Cedarleaf, Written testimony, 1 page
- E. HB 2614, Meyer, Staff Measure Summary, 1 page
- F. HB 2614, Meyer, Fiscal Impact Statement, 1 page
- G. HB 2614, Meyer, Revenue Impact Statement, 1 page
- H. SB 892, Reeder, Staff Measure Summary, 1 page
- I. SB 892, Reeder, Fiscal Impact Statement, 1 page
- J. SB 892, Reeder, Revenue Impact Statement, 1 page
- K. SB 892, Reeder, Alternative Energy Systems, 1 page
- L. SB 892, Reeder (-1) Amendments, (DJ/ps) 5/19/97, 14 pages
- M. SB 892, Graine, Written testimony dated 5/16/97, 2 pages
- N. SB 892, Vincent, Written testimony dated 5/20/97, 1 page
- O. SB 892, Gunderson, Written testimony, 2 pages