

D R A F T

SUMMARY

Increases annual cap on amount of business energy tax credit that may be claimed for certified facilities using renewable energy resources or renewable energy resource equipment manufacturing facilities. Eliminates required reduction in value of credit when taxpayer also claims federal income tax credit for same facility.

Expands business energy tax credit to include credit for homebuilder-installed renewable energy systems, high-performance homes, renewable energy resource equipment manufacturing facilities and energy facilities that manufacture or distribute alternative fuels. Modifies period over which credit may be claimed if facility upon which credit is based uses or produces renewable energy resources. Defines terms and authorizes State Department of Energy to adopt performance, efficiency and other criteria for certain types of facilities that qualify for credit.

Applies to certifications issued on or after effective date of Act and to tax years beginning on or after January 1, 2007.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to renewable energy; creating new provisions; amending ORS
3 315.354, 315.356, 469.185, 469.200, 469.205 and 469.215; and prescribing an
4 effective date.

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

6 **SECTION 1.** ORS 315.354 is amended to read:

7 315.354. (1) A credit is allowed against the taxes otherwise due under ORS
8 chapter 316 (or, if the taxpayer is a corporation, under ORS chapter 317 or
9 318), based upon the certified cost of the facility during the period for which
10 that facility is certified under ORS 469.185 to 469.225. The credit is allowed
11 as follows:

1 (a) Except as provided in paragraph (b) **or (c)** of this subsection, the
2 credit allowed in each of the first two tax years in which the credit is
3 claimed shall be 10 percent of the certified cost of the facility, but may not
4 exceed the tax liability of the taxpayer. The credit allowed in each of the
5 succeeding three years shall be five percent of the certified cost, but may
6 not exceed the tax liability of the taxpayer.

7 (b) If [*the application for certification under ORS 469.185 to 469.225 was*
8 *filed with the State Department of Energy on or after January 1, 2001, and*]
9 the certified cost of the facility does not exceed \$20,000, the total amount
10 of the credit allowable under subsection [(3)] **(4)** of this section may be
11 claimed in the first tax year for which the credit may be claimed, but may
12 not exceed the tax liability of the taxpayer.

13 **(c) If the facility uses or produces renewable energy resources or**
14 **is a renewable energy resource equipment manufacturing facility, the**
15 **credit allowed in each of five succeeding tax years shall be 10 percent**
16 **of the certified cost of the facility, but may not exceed the tax liability**
17 **of the taxpayer.**

18 **(2) Notwithstanding subsection (1) of this section:**

19 **(a) If the facility is one or more renewable energy resource systems**
20 **installed in a single-family dwelling, the amount of the credit for each**
21 **system shall be determined as if the facility was considered a resi-**
22 **dential alternative energy device under ORS 316.116, but subject to the**
23 **maximum credit amount under subsection (4)(b) of this section;**

24 **(b) If the facility is a high-performance home, the amount of the**
25 **credit shall equal the amount determined under paragraph (a) of this**
26 **subsection plus \$3,000; and**

27 **(c) If the facility is a high-performance home or a homebuilder-**
28 **installed renewable energy system, the total amount of the credit may**
29 **be claimed in the first tax year for which the credit is claimed, but**
30 **may not exceed the tax liability of the taxpayer.**

31 [(2)] **(3) In order for a tax credit to be allowable under this section:**

1 (a) The facility must be located in Oregon;

2 (b) The facility must have received final certification from the Director
3 of the State Department of Energy under ORS 469.185 to 469.225; and

4 (c) The taxpayer must be an eligible applicant under ORS 469.205 (1)(c).

5 [(3)] **(4)** [*The maximum total credit or credits allowed for a facility under*
6 *this section to eligible taxpayers*] **The total amount of credit allowable to**
7 **an eligible taxpayer under this section** may not exceed:

8 **(a) 50 percent of the certified cost of a renewable energy resources**
9 **facility, a renewable energy resource equipment manufacturing facility**
10 **or a high-efficiency combined heat and power facility;**

11 **(b) \$9,000 per single-family dwelling for homebuilder-installed**
12 **renewable energy systems;**

13 **(c) \$12,000 per single-family dwelling for homebuilder-installed**
14 **renewable energy systems, if the dwelling also constitutes a high-**
15 **performance home; or**

16 **(d) 35 percent of the certified cost of [the] any other facility.**

17 [(4)(a)] **(5)(a)** Upon any sale, termination of the lease or contract, ex-
18 change or other disposition of the facility, notice thereof shall be given to
19 the Director of the State Department of Energy who shall revoke the certif-
20 icate covering the facility as of the date of such disposition. The new owner,
21 or upon re-leasing of the facility, the new lessor, may apply for a new cer-
22 tificate under ORS 469.215, but the tax credit available to the new owner
23 shall be limited to the amount of credit not claimed by the former owner or,
24 for a new lessor, the amount of credit not claimed by the lessor under all
25 previous leases.

26 (b) The State Department of Energy may not revoke the certificate cov-
27 ering a facility under paragraph (a) of this subsection if the tax credit as-
28 sociated with the facility has been transferred to a taxpayer who is an
29 eligible applicant under ORS 469.205 (1)(c)(A).

30 [(5)] **(6)** Any tax credit otherwise allowable under this section that is not
31 used by the taxpayer in a particular year may be carried forward and offset

1 against the taxpayer's tax liability for the next succeeding tax year. Any
2 credit remaining unused in that next succeeding tax year may be carried
3 forward and used in the second succeeding tax year, and likewise, any credit
4 not used in that second succeeding tax year may be carried forward and used
5 in the third succeeding tax year, and likewise, any credit not used in that
6 third succeeding tax year may be carried forward and used in the fourth
7 succeeding tax year, and likewise, any credit not used in that fourth suc-
8 ceeding tax year may be carried forward and used in the fifth succeeding tax
9 year, and likewise, any credit not used in that fifth succeeding tax year may
10 be carried forward and used in the sixth succeeding tax year, and likewise,
11 any credit not used in that sixth succeeding tax year may be carried forward
12 and used in the seventh succeeding tax year, and likewise, any credit not
13 used in that seventh succeeding tax year may be carried forward and used
14 in the eighth succeeding tax year, but may not be carried forward for any
15 tax year thereafter. Credits may be carried forward to and used in a tax year
16 beyond the years specified in subsection (1) of this section only as provided
17 in this subsection.

18 [(6)] (7) The credit provided by this section is not in lieu of any depreci-
19 ation or amortization deduction for the facility to which the taxpayer oth-
20 erwise may be entitled for purposes of ORS chapter 316, 317 or 318 for such
21 year.

22 [(7)] (8) The taxpayer's adjusted basis for determining gain or loss may
23 not be decreased by any tax credits allowed under this section.

24 **(9) If a homebuilder claims a credit under this section with respect**
25 **to a homebuilder-installed renewable energy system or a high-**
26 **performance home:**

27 **(a) The homebuilder may not claim credits for both a**
28 **homebuilder-installed renewable energy system and a high-**
29 **performance home with respect to the same dwelling;**

30 **(b) The homebuilder must inform the buyer of the dwelling that the**
31 **homebuilder is claiming a tax credit under this section with respect**

1 to the dwelling; and

2 (c) The buyer of the dwelling may not claim a credit under this
3 section that is based on any facility for which the homebuilder has
4 already claimed a credit.

5 (10) The definitions in ORS 469.185 apply to this section.

6 SECTION 2. ORS 315.356 is amended to read:

7 315.356. (1) If a taxpayer obtains a grant [*or tax credit*] from the federal
8 government [*other than an investment tax credit or a low income housing tax*
9 *credit*] in connection with a facility [*which*] **that** has been certified by the
10 Director of the State Department of Energy, the certified cost of the facility
11 shall be reduced on a dollar for dollar basis. Any income or excise tax credits
12 [*which such*] **that the** taxpayer would be entitled to under ORS 315.354 and
13 469.185 to 469.225 after any [*such reduction shall*] **reduction described in**
14 **this subsection may** not be reduced by [*such*] **the** federal [*grants or tax*
15 *credits*] **grant**. A taxpayer applying for a federal grant [*or credit*] shall notify
16 the Department of Revenue by certified mail within 30 days after each ap-
17 plication, and after the receipt of any grant.

18 (2) A taxpayer is eligible to participate in both this tax credit program
19 and low interest, government-sponsored loans.

20 (3) A taxpayer who receives a tax credit or [*ad valorem*] **property** tax
21 relief on a pollution control facility or an alternative energy device under
22 ORS 307.405, 315.304 or 316.116 is not eligible for a tax credit on the same
23 facility or device under ORS 315.354 and 469.185 to 469.225.

24 (4) A credit may not be allowed under ORS 315.354 if the taxpayer has
25 received a tax credit on the same facility or device under ORS 315.324.

26 SECTION 3. ORS 469.185 is amended to read:

27 469.185. As used in ORS 469.185 to 469.225 and 469.878:

28 (1) "Alternative fuel vehicle" means a vehicle as defined by the Director
29 of the State Department of Energy by rule that is used primarily in con-
30 nection with the conduct of a trade or business and that is manufactured or
31 modified to use an alternative fuel, including but not limited to electricity,

1 ethanol, methanol, gasohol and propane or natural gas, regardless of energy
2 consumption savings.

3 (2) "Car sharing facility" means the expenses of operating a car sharing
4 program, including but not limited to the fair market value of parking spaces
5 used to store the fleet of cars available for a car sharing program, but does
6 not include the costs of the fleet of cars.

7 (3) "Car sharing program" means a program in which drivers pay to be-
8 come members in order to have joint access to a fleet of cars from a common
9 parking area on an hourly basis. "Car sharing program" does not include
10 operations conducted by car rental agencies.

11 (4) "Cost" means the capital costs and expenses necessarily incurred in
12 the acquisition, erection, construction and installation of a facility, includ-
13 ing site development costs and expenses for a sustainable building practices
14 facility.

15 (5) "Energy facility" means any capital investment for which the first
16 year energy savings yields a simple payback period of greater than one year.
17 An energy facility includes:

18 (a) Any land, structure, building, installation, excavation, machinery,
19 equipment or device, or any addition to, reconstruction of or improvement
20 of, land or an existing structure, building, installation, excavation, machin-
21 ery, equipment or device necessarily acquired, erected, constructed or in-
22 stalled by any person in connection with the conduct of a trade or business
23 and actually used in the processing or utilization of renewable energy re-
24 sources to:

25 (A) Replace a substantial part or all of an existing use of electricity, pe-
26 troleum or natural gas;

27 (B) Provide the initial use of energy where electricity, petroleum or na-
28 tural gas would have been used;

29 (C) Generate electricity to replace an existing source of electricity or to
30 provide a new source of electricity for sale by or use in the trade or business;

31 [or]

1 (D) Perform a process that obtains energy resources from material that
2 would otherwise be solid waste as defined in ORS 459.005; or

3 **(E) Manufacture or distribute alternative fuels, including but not**
4 **limited to electricity, ethanol, methanol, gasohol or biodiesel.**

5 (b) Any acquisition of, addition to, reconstruction of or improvement of
6 land or an existing structure, building, installation, excavation, machinery,
7 equipment or device necessarily acquired, erected, constructed or installed
8 by any person in connection with the conduct of a trade or business in order
9 to substantially reduce the consumption of purchased energy.

10 (c) A necessary feature of a new commercial building or multiple unit
11 dwelling, as dwelling is defined by ORS 469.160, that causes that building
12 or dwelling to exceed an energy performance standard in the state building
13 code.

14 (d) The replacement of an electric motor with another electric motor that
15 substantially reduces the consumption of electricity.

16 (6) "Facility" means an energy facility, recycling facility, transportation
17 facility, car sharing facility, sustainable building practices facility, alterna-
18 tive fuel vehicle or facilities necessary to operate alternative fuel vehicles,
19 including but not limited to an alternative fuel vehicle refueling station, a
20 **high-efficiency combined heat and power facility, a high-performance**
21 **home, a homebuilder-installed renewable energy system, or a**
22 **renewable energy resource equipment manufacturing facility.**

23 (7) "**High-efficiency combined heat and power facility**" means a de-
24 **vice or equipment that simultaneously produces heat and electricity**
25 **from a single source of fuel and that meets the criteria established for**
26 **a high-efficiency combined heat and power facility under section 8 of**
27 **this 2007 Act.**

28 (8) "**High-performance home**" means a new single-family dwelling
29 **that:**

30 (a) **Is designed and constructed to reduce net purchased energy to**
31 **an annualized level that is less than _____; and**

1 **(b) Meets the criteria established for a high-performance home un-**
2 **der section 8 of this 2007 Act.**

3 **(9) “Homebuilder-installed renewable energy system” means a**
4 **renewable energy resource system that:**

5 **(a) Meets the criteria established for a renewable energy resource**
6 **system under section 8 of this 2007 Act; and**

7 **(b) Is installed in a new single-family dwelling by, or at the direc-**
8 **tion of, the homebuilder constructing the dwelling.**

9 [(7)] **(10) “Qualified transit pass contract” means a purchase agreement**
10 **entered into between a transportation provider and a person, the terms of**
11 **which obligate the person to purchase transit passes on behalf or for the**
12 **benefit of employees, students, patients or other individuals over a specified**
13 **period of time.**

14 [(8)] **(11) “Recycling facility” means equipment used by a trade or busi-**
15 **ness solely for recycling:**

16 (a) Including:

17 (A) Equipment used solely for hauling and refining used oil;

18 (B) New vehicles or modifications to existing vehicles used solely to
19 transport used recyclable materials that cannot be used further in their
20 present form or location such as glass, metal, paper, aluminum, rubber and
21 plastic;

22 (C) Trailers, racks or bins that are used for hauling used recyclable ma-
23 terials and are added to or attached to existing waste collection vehicles; and

24 (D) Any equipment used solely for processing recyclable materials such
25 as bailers, flatteners, crushers, separators and scales.

26 (b) But not including equipment used for transporting or processing scrap
27 materials that are recycled as a part of the normal operation of a trade or
28 business as defined by the director.

29 [(9)(a)] **(12)(a) “Renewable energy resource” includes, but is not limited**
30 **to[,]:**

31 **(A) Straw, forest slash, wood waste or other wastes from farm or forest**

1 land, [*industrial waste*] **nonpetroleum plant or animal based biomass,**
2 solar energy, wind power, water power or geothermal energy; or

3 **(B) A hydroelectric generating facility that obtains all applicable**
4 **permits and complies with all state and federal statutory requirements**
5 **for the protection of fish and wildlife and:**

6 **(i) That does not exceed 10 megawatts of installed capacity; or**

7 **(ii) Qualifies as a research, development or demonstration facility.**

8 (b) “Renewable energy resource” does not include a hydroelectric gener-
9 ating facility [*larger than one megawatt of installed capacity unless the facil-*
10 *ity qualifies as a research, development or demonstration facility*] **that is not**
11 **described in paragraph (a) of this subsection.**

12 **(13) “Renewable energy resource equipment manufacturing**
13 **facility” means any structure, building, installation, excavation, ma-**
14 **chinery, equipment or device, or an addition, reconstruction or im-**
15 **provement to land or an existing structure, building, installation,**
16 **excavation, machinery, equipment or device, that is necessarily ac-**
17 **quired, constructed or installed by a person in connection with the**
18 **conduct of a trade or business, that is used primarily to manufacture**
19 **equipment, machinery or other products designed to use a renewable**
20 **energy resource and that meets the criteria established under section**
21 **8 of this 2007 Act.**

22 [(10)] **(14) “Sustainable building practices facility” means a commercial**
23 **building in which building practices that reduce the amount of energy, water**
24 **or other resources needed for construction and operation of the building are**
25 **used. “Sustainable building practices facility” may be further defined by the**
26 **State Department of Energy by rule, including rules that establish tradi-**
27 **tional building practice baselines in energy, water or other resource usage**
28 **for comparative purposes for use in determining whether a facility is a**
29 **sustainable building practices facility.**

30 [(11)] **(15) “Transportation facility” means a transportation project that**
31 **reduces energy use during commuting to and from work or school, during**

1 work-related travel, or during travel to obtain medical or other services, and
 2 may be further defined by the department by rule. "Transportation facility"
 3 includes, but is not limited to, a qualified transit pass contract or a trans-
 4 portation services contract.

5 [(12)] (16) "Transportation provider" means a public, private or nonprofit
 6 entity that provides transportation services to members of the public.

7 [(13)] (17) "Transportation services contract" means a contract that is
 8 related to a transportation facility, and may be further defined by the de-
 9 partment by rule.

10 **SECTION 4.** ORS 469.200 is amended to read:

11 469.200. (1) The total cost of a facility that receives a preliminary certif-
 12 ication from the Director of the State Department of Energy for tax credits
 13 in any calendar year [*shall*] **may** not exceed:

14 (a) **\$20 million, in the case of a facility using or producing**
 15 **renewable energy resources, a renewable energy resource equipment**
 16 **manufacturing facility or a high-efficiency combined heat and power**
 17 **facility; or**

18 (b) **\$10 million, in the case of any other facility.**

19 (2) The director shall determine the dollar amount certified for any fa-
 20 cility and the priority between applications for certification based upon the
 21 criteria contained in ORS 469.185 to 469.225 and applicable rules and stan-
 22 dards adopted under ORS 469.185 to 469.225. The director may consider the
 23 status of a facility as a research, development or demonstration facility of
 24 new renewable resource generating and conservation technologies or a
 25 qualified transit pass contract in the determination.

26 **SECTION 5.** ORS 469.205 is amended to read:

27 469.205. (1) Prior to erection, construction, installation or acquisition of
 28 a proposed facility, any person may apply to the State Department of Energy
 29 for preliminary certification under ORS 469.210 if:

30 (a) The erection, construction, installation or acquisition of the facility
 31 is to be commenced on or after October 3, 1979;

1 (b) The facility complies with the standards or rules adopted by the Di-
2 rector of the State Department of Energy; and

3 (c) The applicant meets one of the following criteria:

4 (A) The applicant is a person to whom a tax credit has been transferred;
5 or

6 (B) The applicant will be the owner or contract purchaser of the facility
7 at the time of erection, construction, installation or acquisition of the pro-
8 posed facility, and:

9 (i) The applicant is the owner, contract purchaser or lessee of a trade or
10 business that plans to utilize the facility in connection with Oregon prop-
11 erty; or

12 (ii) The applicant is the owner, contract purchaser or lessee of a trade
13 or business that plans to lease the facility to a person who will utilize the
14 facility in connection with Oregon property.

15 (2) An application for preliminary certification shall be made in writing
16 on a form prepared by the department and shall contain:

17 (a) A statement that the applicant or the lessee of the applicant's facility:

18 (A) Intends to convert from a purchased energy source to a renewable
19 energy resource;

20 (B) Plans to acquire, construct or install a facility that will use a
21 renewable energy resource or solid waste instead of electricity, petroleum
22 or natural gas;

23 (C) Plans to use a renewable energy resource in the generation of elec-
24 tricity for sale or to replace an existing or proposed use of an existing source
25 of electricity;

26 (D) Plans to acquire, construct or install a facility that substantially re-
27 duces the consumption of purchased energy;

28 (E) Plans to acquire, construct or install equipment for recycling as de-
29 fined in ORS 469.185 [(8)] (11);

30 (F) Plans to acquire an alternative fuel vehicle or to convert an existing
31 vehicle to an alternative fuel vehicle;

1 (G) Plans to acquire, construct or install a facility necessary to operate
2 alternative fuel vehicles;

3 (H) Plans to acquire transit passes for use by individuals specified by the
4 applicant;

5 (I) Plans to acquire, construct or install a transportation facility;

6 (J) Plans to acquire a sustainable building practices facility; [or]

7 (K) Plans to acquire a car sharing facility and operate a car sharing
8 program;

9 **(L) Plans to construct a high-efficiency combined heat and power**
10 **facility;**

11 **(M) Is a homebuilder and plans to construct a homebuilder-installed**
12 **renewable energy system;**

13 **(N) Is a homebuilder and plans to construct a high-performance**
14 **home; or**

15 **(O) Plans to acquire, construct or install a renewable energy re-**
16 **source equipment manufacturing facility.**

17 (b) A detailed description of the proposed facility and its operation and
18 information showing that the facility will operate as represented in the ap-
19 plication.

20 (c) Information on the amount by which consumption of electricity, pe-
21 troleum or natural gas by the applicant or the lessee of the applicant's fa-
22 cility will be reduced, and on the amount of energy that will be produced for
23 sale, as the result of using the facility or, if applicable, information about
24 the expected level of sustainable building practices facility performance.

25 (d) The projected cost of the facility.

26 (e) If applicable, a copy of the proposed qualified transit pass contract,
27 transportation services contract or contract for lease of parking spaces for
28 a car sharing facility.

29 (f) Any other information the director considers necessary to determine
30 whether the proposed facility is in accordance with the provisions of ORS
31 469.185 to 469.225, and any applicable rules or standards adopted by the di-

1 rector.

2 (3) An application for preliminary certification shall be accompanied by
3 a fee established under ORS 469.217. The director may refund the fee if the
4 application for certification is rejected.

5 (4) The director may allow an applicant to file the preliminary application
6 after the start of erection, construction, installation or acquisition of the
7 facility if the director finds:

8 (a) Filing the application before the start of erection, construction, in-
9 stallation or acquisition is inappropriate because special circumstances ren-
10 der filing earlier unreasonable; and

11 (b) The facility would otherwise qualify for tax credit certification pur-
12 suant to ORS 469.185 to 469.225.

13 (5) A preliminary certification of a sustainable building practices facility
14 shall be applied for and issued as prescribed by the department by rule.

15 **SECTION 6.** ORS 469.215 is amended to read:

16 469.215. (1) [No] A final certification [shall] **may not** be issued by the
17 Director of the State Department of Energy under this section unless the
18 facility was acquired, erected, constructed or installed under a preliminary
19 certificate of approval issued under ORS 469.210 and in accordance with the
20 applicable provisions of ORS 469.185 to 469.225 and any applicable rules or
21 standards adopted by the director.

22 (2) Any person may apply to the State Department of Energy for final
23 certification of a facility:

24 (a) If the department issued preliminary certification for the facility un-
25 der ORS 469.210; and

26 (b)(A) After completion of erection, construction, installation or acquisi-
27 tion of the proposed facility or, if the facility is a qualified transit pass
28 contract, after entering into the contract with a transportation provider; or

29 (B) After transfer of the facility, as provided in ORS 315.354 [(4)] (5).

30 (3) An application for final certification shall be made in writing on a
31 form prepared by the department and shall contain:

1 (a) A statement that the conditions of the preliminary certification have
2 been complied with;

3 (b) The actual cost of the facility certified to by a certified public ac-
4 countant who is not an employee of the applicant or, if the actual cost of
5 the facility is less than \$50,000, copies of receipts for purchase and installa-
6 tion of the facility;

7 (c) A statement that the facility is in operation or, if not in operation,
8 that the applicant has made every reasonable effort to make the facility op-
9 erable; and

10 (d) Any other information determined by the director to be necessary
11 prior to issuance of a final certificate, including inspection of the facility
12 by the department.

13 (4) The director shall act on an application for certification before the
14 60th day after the filing of the application under this section. The director,
15 after consultation with the Public Utility Commission, may issue the certif-
16 icate together with such conditions as the director determines are appropri-
17 ate to promote the purposes of this section and ORS 315.354, 469.185, 469.200,
18 469.205 and 469.878. The action of the director shall include certification of
19 the actual cost of the facility. However, in no event shall the director certify
20 an amount for tax credit purposes which is more than 10 percent in excess
21 of the amount approved in the preliminary certificate issued for the facility.

22 (5) If the director rejects an application for final certification, or certifies
23 a lesser actual cost of the facility than was claimed in the application, the
24 director shall send to the applicant written notice of the action, together
25 with a statement of the findings and reasons therefor, by certified mail, be-
26 fore the 60th day after the filing of the application. Failure of the director
27 to act constitutes rejection of the application.

28 (6) Upon approval of an application for final certification of a facility, the
29 director shall certify the facility. Each certificate shall bear a separate serial
30 number for each device. Where one or more devices constitute an opera-
31 tional unit, the director may certify the operational unit under one certif-

1 icate.

2 **SECTION 7.** Section 8 of this 2007 Act is added to and made a part
3 of ORS 469.185 to 469.225.

4 **SECTION 8.** The State Department of Energy shall by rule establish
5 all of the following criteria:

6 (1) For a high-performance home, the minimum design and con-
7 struction standards that must be met or exceeded for a dwelling to be
8 considered a high-performance home, including but not limited to
9 standards for the building envelope, HVAC systems, lighting, appli-
10 ances, water conservation measures, use of sustainable building ma-
11 terials and on-site renewable energy systems. The criteria must also
12 establish the minimum reduction in estimated net purchased energy
13 that a dwelling must achieve to be considered a high-performance
14 home.

15 (2) For a homebuilder-installed renewable energy system, the mini-
16 mum performance and efficiency standards that a solar electric sys-
17 tem, solar domestic water heating system, passive solar space heating
18 system, wind power system, geothermal heating system, fuel cell sys-
19 tem or other system utilizing renewable resources must achieve to be
20 considered a homebuilder-installed renewable energy system.

21 (3) For a high-efficiency combined heat and power facility, the
22 minimum performance and efficiency standards that the facility must
23 achieve to be considered a high-efficiency combined heat and power
24 facility.

25 (4) For a renewable energy resource equipment manufacturing fa-
26 cility, standards relating to the type of equipment, machinery or other
27 products being manufactured and related performance and efficiency
28 standards applicable to the manufactured products.

29 **SECTION 9.** Section 8 of this 2007 Act and the amendments to ORS
30 315.354, 315.356, 469.185, 469.200, 469.205 and 469.215 by sections 1 to 6 of
31 this 2007 Act apply to facilities certified on or after the effective date

1 of this 2007 Act and to tax years beginning on or after January 1, 2007.

2 SECTION 10. This 2007 Act takes effect on the 91st day after the
3 date on which the regular session of the Seventy-fourth Legislative
4 Assembly adjourns sine die.

5
