

Oregon's I-5 to have nation's first interstate solar project

By The Associated Press

PORTLAND — The Oregon Department of Transportation is rolling out the nation's first solar-panel project on a major U.S. highway on Interstate 5 and Interstate 205 near Tualatin.

By year's end, the row of solar panels about 5 feet wide and two football fields long will begin generating enough electricity to Portland General Electric's grid to provide 28 percent of the energy needed to power lights at the interchange at night.

It will give Portland General Electric (PGE) its first ownership stake in a solar project and generate business for two new Oregon solar manufacturers, SolarWorld, a German company with operations in Hillsboro, and PV Power of Bend.

The Transportation Department will pay PGE standard commercial energy rates by using state and federal tax credits.

The project will generate less than 1 percent of the Transportation Department's annual energy use but is considered a start to wider use of solar energy.

Early next year, the department will seek proposals for similar projects to generate about 4.5 percent of its annual energy needs.

Officials also will seek proposals for new technologies such as solar panels doubling as sound walls to reduce highway noise to nearby neighborhoods.

"Now you're starting to get some good numbers that may attract people who are willing to invest in the next big thing," said Lynn Frank, a consultant with Five Stars International of Salem who helped with the project.

Public Utility Commission rules prohibit solar-panel owners from selling more power to the grid than they consume on-site in a year.

That would keep the Transportation Department from using solar in sunny areas to power lights in shady stretches.

The Tualatin project would not have been possible without tax credits. A 30 percent federal tax credit is to expire Dec. 31.

Public agencies and nonprofits don't pay taxes. But they sell the credits to private companies, in this case U.S. Bank, which will pay for much of the new installation and take the tax credit for five years.

The Oregon Business Energy Tax Credit covers 50 percent of the cost. A federal tax credit covers 30 percent and offers accelerated depreciation for the solar-panel owners.

The Energy Trust of Oregon will provide \$175,000 from a fund paid by Oregon electric-utility customers.