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Summary:

Oregon's "1.5% for Green Energy Technology" program requires government construction and renovation projects costing at least \$5 million to spend 1.5% of their budgets on green energy technologies, whether or not they are cost effective. Word Count: 697

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Oregon Legislature Should End the GET Green Energy Fiasco

By Eric Fruits

It seems everywhere you look, "clean energy" is in the news. Last month, the City of Portland [handed](#) out nearly \$120 million to local nonprofits who promise to provide clean energy technologies. Congress just passed the slimmed-down [version](#) of President Biden's Build Back Better program, with more than \$350 billion going to clean energy.

Much of this spending will be wasted if Oregon's experience with an almost-unheard-of program is any guide. The program is called "1.5% for Green Energy Technology," or GET. Under the program, any government construction or renovation project costing \$5 million or more must spend 1.5% of its budget on green energy technologies, such as solar panels.

Cascade Policy Institute reviewed all of the available annual reports from the GET program and [found](#) that most of the projects fail a basic cost-benefit test.

In Portland, the Fire Bureau was forced to spend \$90,000 under the GET program to install solar panels while renovating Fire Station 21—a project that was already behind schedule and over budget. The Fire Bureau informed the Oregon Legislature that the fire station was "not the best solar site." Nevertheless, the spending was mandated. Those solar panels generate only \$640 worth of electricity a year, meaning it would take more than 140 years for the project to pay for itself. The maximum useful life of a solar panel, however, is only 30 years.

The new Multnomah County courthouse project was required to spend \$6.6 million under the GET program for a large solar panel array. Those investments will have a payback period of 492 years. In 2018, Lane Community College's mandated solar and geothermal energy renovations were estimated to break even 223 years after construction. In 2020, the Salem Police Station was forced to install solar technology that wouldn't repay its construction cost until 149 years later. More recently, in 2021, Portland Public Schools was forced to spend \$2.1 million on solar arrays with a payback period of 65 years.

State Representative Paul Holvey, the chief sponsor of the GET bill in 2007, claimed that its purpose was to "give a boost to the solar technology industry in this state." He also hoped the mandates would "save the taxpayer money down the road." He was wrong on both counts. Solar [produces](#) only 2% of the state's total electricity generation. Moreover, the outrageous payback periods for the projects amount to a waste of taxpayer money on construction and renovation projects.



However, it could also be argued that wasting money is one of the purposes of the law. Environmentalists advocate the program as a baby step to achieve the state's "net zero" carbon goals. But, the most ardent supporters of the program are the contractors, companies, and trade unions who see the GET program as a way to boost construction budgets to benefit themselves and their members. Electrician unions pushed for the initial bill, forestry interests expanded it to include wood-based renewables, and clean energy companies have lobbied for subsequent expansions of the program.

The legislature should shut down the GET program in the next legislative session. In the meantime, the state's technical review panel which oversees the program should reject any project that doesn't pencil out financially. Unless the program is ended or reformed, state and local governments will continue to be forced to waste millions of taxpayer dollars on green energy projects that will never pay for themselves.

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