

*The Oregon Department of Transportation's Solar Highway Program* was developed in response to state and federal policies directing the development of secure, renewable energy; reducing carbon emissions; greening the transportation sector; and creating jobs through an economy based on green energy. In Oregon, these policies and goals are codified in ORS 184.423 (Oregon's sustainability goals), ORS 468A.200 and ORS 468A.205 (greenhouse gas emissions), and ORS 469A (the Renewable Portfolio Standard). They are embodied in the Oregon Transportation Plan (Goal 4, Sustainability) and the Oregon Global Warming Commission's *Roadmap to 2020* along with supporting transportation and energy policy documents including the *Transportation and Land Use Roadmap to 2020* and the *Energy Roadmap to 2020*. Federal supporting policy framework includes the Energy Independence and Security Act of 2007.

The Solar Highway Program allows the Oregon Department of Transportation to reduce its carbon footprint through offsetting non-renewable electricity usage; provide green energy to the electrical grid; create and/or sustain local jobs, add value to the existing public right of way asset, and generate additional revenue to the department through responsible and innovative public-private partnerships.

ODOT has no capital funding in the projects – the program does not compete with missioncritical activities. Capital is provided through a mix of state and federal tax credits, utility incentives, accelerated depreciation, and voluntary clean energy programs.

ODOT does not build or own the solar highway projects; ODOT provides the land. For the first solar highway project, ODOT purchases the energy generated by that project. For the Baldock Safety Rest Area project, ODOT receives a share of the Renewable Energy Certificates (RECs) generated by this clean energy project. These RECs will contribute to the reduction of the agency's carbon footprint. In addition, ODOT receives a nominal annual site license fee. While today this annual payment is nominal, this framework creates the opportunity for larger, more meaningful revenues as solar energy development costs continue to decrease.

The Oregon Solar Highway Program is based on a value-added platform. What this means is project components are selected based on core values held by Oregonians: Environmentally responsible manufacturing processes, including end-of-life recycling for solar panels; local family wage jobs; best-in-class technology; best-in-class warranties and company history and financial strength to back up those warranties; commitment to sustainability in the manufacturer's corporate structure; and support for emerging small businesses, women and disadvantaged business enterprises.

Those values set high benchmarks that enable ODOT to put green energy on the grid and support Oregon businesses that reach these benchmarks, including SolarWorld in Hillsboro,

Advanced Energy in Bend, and Advanced Energy Systems in Eugene. Oregon businesses procure, design, construct, operate and maintain Oregon Solar Highway projects.

The Oregon Solar Highway Program has been recognized for excellence by the Federal Highway Administration, the American Solar Energy Society, the Solar Electric Power Association, the Harvard Kennedy School for Democratic Governance and Innovation, the Oregon Department of Energy, and many more. The program is supported through grants from the U.S. Department of Energy, and has led to federal policy changes related to renewable energy projects on federal rights of way.

ODOT has over 19,000 lane-miles of public transportation system right of way. Using this asset to generate renewable energy benefits all Oregonians. Learn more at <u>www.oregonsolarhighway.com</u>.