HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT

April 11, 2013 Hearing Room D 3:00 PM

MEMBERS PRESENT: Rep. Jules Bailey, Chair

Rep. Deborah Boone, Vice-Chair Rep. Mark Johnson, Vice-Chair

Rep. Cliff Bentz

Rep. Michael Dembrow Rep. Jeff Reardon

Rep. Jessica Vega Pederson

Rep. Jim Weidner Rep. Gail Whitsett

STAFF PRESENT: Adam Crawford, Committee Administrator

Anne May, Committee Assistant

MEASURES/ISSUES HEARD: HB 2203 - Public Hearing and Work Session

HB 2704 - Public Hearing and Work Session

HB 2801 - Work Session HB 3492 - Public Hearing HB 2048 - Work Session HB 3103 - Work Session HB 2807 - Public Hearing

Recording Log

3:04:14 PM Meeting Called to Order by Chair Bailey

3:05:14 PM HB 2203 - Public Hearing

3:05:59 PM {Exhibit} 1: Rep. Greg Smith, House District 57

3:07:45 PM Chair Bailey

3:07:54 PM {Exhibit} 2: Varner Seaman, Policy Director, Renewable Northwest Project

3:11:27 PM Chair Bailey

3:11:54 PM {Exhibit} 3: Craig Campbell, Umatilla Electric

3:12:54 PM Chair Bailey

3:13:03 PM W. Lawrence Givens, Chair, Umatilla County Board of Commissioners

3:13:48 PM Chair Bailey

3:13:54 PM Rep. Smith

3:14:19 PM Chair Bailey

3:15:01 PM {Exhibit} 4: Lori Koho, Administrator of the Safety, Reliability, and Security

Division, Public Utility Commission of Oregon (PUC)

3:15:50 PM {Exhibit} 5: witness registration

3:15:51 PM Chair Bailey

3:16:03 PM HB 2704 - Public Hearing **3:16:18 PM** {Exhibit} 6: Rep. Greg Smith, House District 57 3:19:08 PM {Exhibit} 7: W. Lawrence Givens, Chair, Umatilla County Board of Commissioners 3:23:20 PM Chair Bailey 3:23:29 PM {Exhibit} 8: Varner Seaman, Policy Director, Renewable Northwest Project 3:26:11 PM {Exhibit} 9: Craig Campbell, Umatilla Electric 3:26:50 PM Chair Bailey **3:26:51 PM** Rep. Whitsett 3:27:06 PM Givens 3:27:22 PM Chair Bailey 3:27:24 PM Rep. Whitsett 3:27:46 PM Givens 3:27:51 PM Rep. Smith **3:28:06 PM** Rep. Whitsett 3:28:21 PM Rep. Smith 3:28:38 PM Givens 3:29:22 PM Chair Bailey 3:29:23 PM Rep. Bentz 3:29:58 PM Seaman **3:30:33 PM** Rep. Bentz 3:30:51 PM Givens **3:30:52 PM** Rep. Bentz 3:30:55 PM Chair Bailey 3:31:01 PM Givens 3:31:15 PM Chair Bailey 3:31:20 PM Rep. Smith 3:31:30 PM Chair Bailey **3:31:58 PM** {Exhibit} 10: Todd Cornettt, Siting Division Administrator, Oregon Department of Energy 3:32:29 PM Chair Bailev **3:32:30 PM** {Exhibit} 11: witness registration **3:32:31 PM** The following written testimony was submitted without public testimony: 3:32:33 PM {Exhibit} 12: Jeannine Rustad, Chair, Legislative and Policy Affairs Committee, Oregon Chapter, American Planning Association 3:32:34 PM {Exhibit} 13: Michael Morrissey, Policy Analyst, Department of Land Conservation and Development 3:32:48 PM HB 2203 - Work Session 3:32:55 PM MOTION: VICE-CHAIR BOONE MOVES TO ADOPT THE -3 AMENDMENTS 3:33:00 PM Chair Bailey 3:33:12 PM VOTE: 8-0-1 3:33:13 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER, WHITSETT, BOONE, BAILEY 3:33:14 PM EXCUSED: JOHNSON

3:33:16 PM MOTION: VICE-CHAIR BOONE MOVES HB 2203 DO PASS AS **AMENDED** 3:33:20 PM Chair Bailey **3:33:28 PM** VOTE: 8-0-1 3:33:29 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER. WHITSETT, BOONE, BAILEY 3:33:30 PM EXCUSED: JOHNSON 3:33:31 PM CARRIER: REP. SMITH WILL LEAD DISCUSSION ON THE FLOOR 3:33:57 PM HB 2704 - Work Session 3:34:00 PM MOTION: VICE-CHAIR BOONE MOVES TO ADOPT THE -1 **AMENDMENT** 3:34:06 PM Chair Bailey 3:34:14 PM VOTE: 8-0-1 3:34:15 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER, WHITSETT, BOONE, BAILEY 3:34:16 PM EXCUSED: JOHNSON 3:34:20 PM Chair Bailey 3:34:37 PM MOTION: VICE-CHAIR BOONE MOVES HB 2704 DO PASS AS AMENDED AND RESCIND THE SUBSEQUENT REFERRAL TO THE COMMITTEE ON JOINT WAYS AND MEANS 3:34:48 PM Chair Bailey **3:35:05 PM** Rep. Bentz 3:35:56 PM Chair Bailey 3:35:57 PM Rep. Whitsett 3:36:00 PM Chair Bailey 3:36:05 PM VOTE: 8-0-1 3:36:06 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER. WHITSETT, BOONE, BAILEY 3:36:07 PM EXCUSED: JOHNSON 3:36:08 PM CARRIER: REP. SMITH WILL LEAD DISCUSSION ON THE FLOOR 3:36:43 PM HB 2801 - Work Session 3:37:50 PM Chair Bailev 3:37:51 PM {Exhibit} 14: Adam Crawford, Committee Administrator 3:38:49 PM Vice-Chair Johnson 3:39:05 PM Chair Bailey 3:39:14 PM Kale Harbick, SB 1149 Program, Coordinator, Oregon Department of Energy 3:39:20 PM Vice-Chair Johnson **3:39:42 PM** Harbick 3:40:28 PM Rep. Johnson **3:41:00 PM** Chair Bailey **3:41:01 PM** Rep. Weidner **3:41:30 PM** Chair Bailey **3:41:31 PM** Harbick

3:41:45 PM Chair Bailey **3:41:45 PM** Rep. Bentz **3:42:15 PM** Harbick **3:42:49 PM** Rep. Bentz 3:43:50 PM Harbick 3:44:24 PM Chair Bailey **3:44:25 PM** Rep. Whitsett **3:44:42 PM** Harbick 3:44:52 PM Chair Bailey 3:45:01 PM Adam Crawford, Committee Administrator 3:45:04 PM Chair Bailey 3:45:05 PM Rep. Whitsett 3:45:15 PM Chair Bailey 3:45:33 PM MOTION: VICE-CHAIR BOONE MOVES TO ADOPT THE -6 AMENDMENTS 3:45:35 PM Chair Bailey **3:45:47 PM** VOTE: 9-0-0 3:45:48 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER, WHITSETT, JOHNSON, BOONE, BAILEY 3:45:49 PM Chair Bailey 3:45:50 PM MOTION: VICE-CHAIR BOONE MOVES HB 2801 DO PASS AS **AMENDED 3:45:53 PM** Chair Bailey 3:46:00 PM Rep. Bentz 3:46:47 PM Chair Bailey 3:47:01 PM VOTE: 5-4-0 3:47:02 PM AYES: DEMBROW, REARDON, VEGA-PEDERSON, BOONE, BAILEY 3:47:03 PM NAYS: BENTZ, WEIDNER, WHITSETT, JOHNSON 3:47:04 PM CARRIER: CHAIR BAILEY WILL LEAD DISCUSSION ON THE FLOOR 3:47:38 PM HB 3492 - Public Hearing 3:47:50 PM Crawford **3:48:43 PM** Rep. Mitch Greenlick, House District 33 3:48:47 PM Chair Bailev **3:52:04 PM** Vice-Chair Johnson 3:52:47 PM Rep. Greenlick **3:54:02 PM** Chair Bailey 3:54:21 PM HB 2048 - Work Session 3:54:25 PM {Exhibit} 15: Adam Crawford, Committee Administrator 3:55:29 PM Chair Bailey 3:56:23 PM Rep. Bentz 3:57:39 PM Chair Bailey **3:57:48 PM** Rep. Weidner 3:58:13 PM Chair Bailey 3:58:15 PM MOTION: VICE-CHAIR BOONE MOVES TO ADOPT THE -4

AMENDMENTS 3:58:29 PM Chair Bailey 3:58:30 PM Rep. Whitsett 3:58:31 PM Chair Bailey 3:58:35 PM VOTE: 7-2-0 3:58:36 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, JOHNSON, BOONE, BAILEY 3:58:37 PM NAYS: WEIDNER, WHITSETT 3:58:37 PM MOTION: VICE-CHAIR BOONE MOVES HB 2048 DO PASS AS AMENDED AND BE REFERRED TO THE COMMITTEE ON JOINT WAYS AND MEANS BY PRIOR REFERENCE 3:59:25 PM Chair Bailey 3:59:40 PM VOTE: 5-4-0 3:59:41 PM AYES: DEMBROW, REARDON, VEGA PEDERSON, BOONE, BAILEY 3:59:42 PM NAYS: BENTZ, WEIDNER, WHITSETT, JOHNSON 4:00:06 PM HB 3103 - Work Session 4:00:12 PM {Exhibit} 16: Adam Crawford, Committee Administrator 4:00:12 PM Chair Bailey 4:00:40 PM Palmer Mason, Government Relations Manager, Department of **Environmental Quality** 4:01:36 PM Chair Bailey 4:01:47 PM Mason **4:01:52 PM** Chair Bailey 4:01:54 PM MOTION: VICE-CHAIR BOONE MOVES TO ADOPT THE -3 **AMENDMENTS** 4:02:00 PM Chair Bailev 4:02:01 PM VOTE: 9-0-0 4:02:02 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WEIDNER, WHITSETT, JOHNSON, BOONE, BAILEY 4:02:11 PM MOTION: VICE-CHAIR BOONE MOVES HB 3103 DO PASS AS **AMENDED 4:02:16 PM** Chair Bailey 4:02:24 PM VOTE: 8-1-0 4:02:25 PM AYES: BENTZ, DEMBROW, REARDON, VEGA-PEDERSON, WHITSETT, JOHNSON, BOONE, BAILEY **4:02:26 PM** NAYS: WEIDNER 4:02:27 PM CARRIER: REP. VEGA-PEDERSON WILL LEAD DISCUSSION ON THE **FLOOR** 4:03:02 PM HB 3492 - Public Hearing 4:03:35 PM {Exhibit} 17-18: Mary Peveto, Co-Founder; President, Neighbors for Clean Air 4:08:27 PM Chair Bailev 4:08:27 PM {Exhibit} 19: John Krallman, staff attorney, Neighbors for Clean Air **4:11:10 PM** Chair Bailev

- 4:11:12 PM Rep. Weidner
- 4:11:34 PM Peveto
- 4:11:42 PM Krallman
- 4:12:06 PM Rep. Weidner
- 4:12:22 PM Peveto
- 4:13:11 PM Chair Bailey
- 4:13:12 PM Rep. Weidner
- 4:13:57 PM Peveto
- 4:15:23 PM Chair Bailey
- 4:15:24 PM Rep. Bentz
- 4:17:17 PM Peveto
- 4:19:25 PM Rep. Bentz
- 4:19:27 PM Chair Bailey
- 4:19:28 PM Vice-Chair Boone
- **4:20:20 PM** Peveto
- 4:21:51 PM Krallman
- 4:23:00 PM Chair Bailey
- **4:23:01 PM** Rep. Dembrow
- 4:24:01 PM Chair Bailey
- 4:24:03 PM Vice-Chair Johnson
- 4:25:23 PM Chair Bailey
- 4:25:38 PM Peveto
- 4:26:00 PM Chair Bailey
- **4:26:18 PM** Rep. Whitsett
- 4:26:26 PM Chair Bailey
- **4:26:27 PM** Rep. Whitsett
- 4:26:32 PM Krallman
- **4:27:46 PM** Chair Bailey
- **4:27:47 PM** Rep. Whitsett
- 4:28:05 PM Krallman
- **4:28:07 PM** Chair Bailey
- **4:28:09 PM** Rep. Whitsett
- **4:28:20 PM** Krallman
- **4:28:48 PM** Chair Bailey
- **4:28:53 PM** Rep. Reardon
- 4:29:14 PM Krallman
- **4:30:14 PM** Chair Bailey
- **4:30:18 PM** Rep. Reardon
- 4:30:23 PM Chair Bailey
- **4:31:07 PM** Rep. Bentz
- 4:31:08 PM Chair Bailey
- 4:31:26 PM {Exhibit} 20: John Ledger, Associated Oregon Industries; Oregon Metal Industries Council, Northwest Pulp and Paper Association; Oregon Refuse and Recycling Association; Oregon Forest Products Industries Council; and American Forest and Paper Association
- 4:35:56 PM Tom Wood, Stoel Rives; Chair, Clean Air Committee, Associated Oregon

Industries **4:38:47 PM** Lori Luchak, President, Miles Fiberglass and Composites, Portland, Oregon 4:41:34 PM Chair Bailey 4:41:37 PM {Exhibit} 21: Mike Sullivan, Political Director, Association of Western Pulp and Paper Workers **4:44:01 PM** Chair Bailev 4:44:03 PM Rep. Reardon **4:44:31 PM** Luchak **4:44:43 PM** Rep. Reardon 4:44:48 PM Luchak **4:44:54 PM** Chair Bailey **4:44:55 PM** {Exhibit} 22: witness registration **4:44:56 PM** The following written testimony was submitted without public testimony: **4:44:57 PM** {Exhibit} 23-24: T. Alan Sprott, Vice President, Environmental Affairs, Vigor Industrial 4:45:14 PM HB 2807 - Public Hearing 4:46:00 PM Marion Haynes, Portland General Electric 4:52:31 PM Chair Bailey 4:52:39 PM Scott Bolton, Pacificorp 4:57:03 PM Chair Bailey **4:57:11 PM** Vice-Chair Johnson 4:57:16 PM Bolton **4:57:50 PM** Chair Bailey **4:57:51 PM** Rep. Bentz 4:58:13 PM Bolton **4:59:29 PM** Chair Bailey **4:59:30 PM** Rep. Bentz 5:00:04 PM Bolton **5:00:06 PM** Havnes **5:01:31 PM** {Exhibit} 25: witness registration

5:01:32 PM Meeting Adjourned by Chair Bailey

Exhibit Summary

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3:05:59 PM {Exhibit} 1: HB 2203, written testimony, Rep. Greg Smith, 1 p
3:07:54 PM {Exhibit} 2: HB 2203, written information, Varner Seaman, 1 p
3:11:54 PM {Exhibit} 3: HB 2203, -3 amendments, Craig Campbell, 2 pp
3:15:01 PM {Exhibit} 4: HB 2203, written testimony, Lori Koho, 1 p
3:15:50 PM {Exhibit} 5: HB 2203, witness registration, staff, 1 p
3:16:18 PM {Exhibit} 6: HB 2704, written testimony, Rep. Greg Smith, 1 p
3:19:08 PM {Exhibit} 7: HB 2704, written testimony, W. Lawrence Givens, 2 pp
3:23:29 PM {Exhibit} 8: HB 2704, written testimony, Varner Seaman, 2 pp
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3:26:11 PM {Exhibit} 9: HB 2704, -1 amendment, Craig Campbell, 39 pp
3:31:58 PM {Exhibit} 10: HB 2704, written testimony, Todd Cornettt, 1 p
3:32:30 PM {Exhibit} 11: HB 2704, witness registration, staff, 1 p
3:32:33 PM {Exhibit} 12: HB 2704, written testimony, Jeannine Rustad, 1 p
3:32:34 PM {Exhibit} 13: HB 2704, written testimony, Michael Morrissey, 1 p
3:37:51 PM {Exhibit} 14: HB 2801, -6 amendments, staff, 19 pp
3:54:25 PM {Exhibit} 15: HB 2048, -4 amendments, staff, 13 pp
4:00:11 PM {Exhibit} 16: HB 3103, -3 amendments, staff, 5 pp
4:03:35 PM {Exhibit} 17: HB 3492, written testimony, Mary Peveto, 2 pp
4:03:35 PM {Exhibit} 18: HB 3492, written information, Mary Peveto, 1 p
4:08:27 PM {Exhibit} 19: HB 3492, written testimony, John Krallman, 2 pp
4:31:26 PM {Exhibit} 20: HB 3492, written information, John Ledger, 4 pp
4:41:37 PM {Exhibit} 21: HB 3492, written information, Mike Sullivan, 2 pp
4:44:55 PM {Exhibit} 22: HB 3492, witness registration, staff, 1 p
4:44:57 PM {Exhibit} 23: HB 3492, written testimony, T. Alan Sprott, 2 pp
4:44:57 PM {Exhibit} 24: HB 3492, written information, T. Alan Sprott, 20 pp
5:01:31 PM {Exhibit} 25: HB 2807, witness registration, staff, 1 p
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