

February 6, 2014

The Hon. Jules Bailey, Chair
House Committee on Energy & Environment
900 Court St., NE
Salem, OR 97301

Dear Chair Bailey:

HB 4126, with the -3 amendments, represents a consensus reached after a robust and deliberative set of negotiations over several months. Participants included:

- Office of Governor John Kitzhaber, MD
- Umatilla Electric Cooperative
- Central Electric Cooperative
- Renewable Northwest Projects
- Oregon Rural Electric Cooperative Association
- Citizens' Utility Board of Oregon
- PacifiCorp
- Portland General Electric
- Eugene Water & Electric Board
- Idaho Power
- NW Energy Coalition
- Association of Oregon Counties
- Eugene Water & Electric Board
- Oregon Department of Energy
- Oregon Public Utilities Commission
- Oregon Municipal Electric Utilities Association

Association of Oregon Counties supports the language contained in HB 4126, with the adoption of the -3 amendments.

The bill, amendment, and agreements between parties to the legislative changes and related issues include:

1. Addressing concerns raised about the application of the RPS to certain utilities in the face of unforeseen energy demands in their jurisdictions;
2. Allowing, following PUC review and approval, additional flexibility for the sale of green power to certain non-residential customers by investor-owned utilities under statutory authority; and

3. Alleviating initiative efforts to change the renewable portfolio standard beyond the scope of what is contained in the amended legislation.

The Association of Oregon Counties respectfully requests legislative support for passage of HB 4126, with the -2 amendments, from the House Committee on Energy & Environment, with a “Do-Pass Recommendation.”

Best Regards

A handwritten signature in black ink, appearing to read "Mike McArthur". The signature is fluid and cursive, with the first name "Mike" and last name "McArthur" clearly distinguishable.

Mike McArthur, Executive Director
Association of Oregon Counties