February 6, 2014

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

Chairman Bailey,

House Bill 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 Project
- Oregon Rural Electric Cooperative Association
- Citizens' Utility Board of Oregon
- PacifiCorp
- Portland General Electric
- Eugene Water & Electric Board
- Idaho Power
- NW Energy Coalition
- Oregon Municipal Electric Utilities Association
- Association of Oregon Counties
- Oregon Department of Energy
- Oregon Public Utilities Commission

I support the language contained in House Bill 4126, with the adoption of the -3 amendments.

The bill, amendment and agreements between parties outside of the legislation will:

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

3. Alleviate efforts to change the renewable portfolio stand beyond the scope of what is contained in the amended legislation.

I respectfully request passage of House Bill 4126, with the -3 amendments, from the House Committee on Energy & Environment with a "Do-Pass Recommendation."

Best Regards,

Representative Greg Smith

District 57