

Oregon Senate Committee on Rural Communities and Economic Development  
Attn: Beth Patrino, Committee Administrator

February 13, 2014

**Subject: Hearing Testimony for SB 1578**

To Whom It May Concern:

I am writing on behalf of Wisewood, Inc. to express support for SB 1578, as amended, to make biomass an eligible green energy technology to meet the state's 1.5% investment requirement for new public buildings and major renovations.

Wisewood, Inc. is a biomass energy project development, design and construction company. Our small but growing company is focused solely on community-scale biomass energy technology and has been responsible for five community-scale biomass energy installations in Western and Eastern Oregon over the past few years. We see a bright future where all Oregon communities are powered by renewable electricity from the sun and wind, and are heated by clean renewable biomass energy technology, and we work hard every day to make that vision a reality.

Like all investments in a sustainable future, biomass energy costs more than fossil fuel technology up front, but pays for itself over time. Taking a long-term perspective in uncertain times is difficult for many private sector businesses that often struggle to plan for the next quarter, much less the next decade, so leadership for a sustainable future must start with the public sector.

The most effective way to inspire change is to lead by example, and when it comes to renewable energy technologies, public buildings offer the perfect venue for demonstrating sustainable energy technologies such as solar, geothermal and biomass. Of all these technologies, biomass is the one where Oregon has the strongest natural strategic and competitive advantage. Moreover, these strategic advantages will be realized first by Oregon's rural communities, who are often disadvantaged in comparison to the State's urban centers, and will thus benefit immediately from SB 1578.

One example that illustrates how the amendments proposed by SB 1578 are critical for Oregon's biomass energy industry and rural communities is from the new Oregon Department of Forestry building in John Day, OR. When I was working on the construction of the pellet mill at Malhuer Lumber Company I was approached by project managers of the new ODF building. However when I was contacted the ODF project was over 95% design-complete and nearly ready for bid. The project managers had just learned of biomass heating systems and were eager to know more. However, the project was simply too far along to make the required changes to the design of the heating system to incorporate biomass technology. Instead, the project installed propane furnaces and is now consuming significant quantities of imported

fossil fuel in John Day, a town where a new pellet mill is churning out premium quality biomass fuel just two miles away. The irony of this situation was not lost on the local community and was the source of much consternation that continues to this day.

SB 1578 will ensure that this situation never happens again. By requiring public agencies to invest part of their budget in green energy technologies, including biomass, we can create windows of opportunity at the most appropriate time - when a building is first being engineered. The project managers of the ODF building in John Day were open to incorporating biomass into their building but received no signals from official channels that this was something that the public sector was in support of, so their interest came too late. If they had understood that biomass was an option at the outset of the project we could have helped them implement a successful project that would be utilizing local biomass fuel and supporting local employment in John Day. Instead they are burning propane, with 90% of the money spent leaving Oregon.

Please support SB 1578 to help create new jobs in forested communities, keep energy dollars circulating locally, support forest stewardship, increase our energy independence, and reduce our CO<sub>2</sub> emissions. Thank you.

Sincerely,



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