



**Testimony of Ted Case
Executive Director of the Oregon Rural Electric Cooperative Association
February 25, 2014
Senate Business and Transportation Committee**

Good afternoon Chair Beyer and members of the Committee. For the record, I am Ted Case, Executive Director of the Oregon Rural Electric Cooperative Association (ORECA).

ORECA represents the state's 18 not-for-profit electric cooperatives that serve 206,000 meters, 65 percent of the land mass of Oregon and 11 percent of the population with more than 30,000 miles of transmission and distribution lines.

I am here to testify in support of HB 4126, to allow consumer-owned utilities additional flexibility to comply with Oregon's Renewable Portfolio Standard.

Oregon co-ops receive almost all of the power they provide their members from the Bonneville Power Administration. In addition, we have been leaders in the state with investment in renewable energy resources. Electric cooperatives are involved with the Coffin Butte landfill-gas-to-electricity biomass plant near Corvallis. Oregon co-ops are also involved in a wave energy project off the Oregon coast near Reedsport and many are currently exploring community solar programs. Surprise Valley Electric Cooperative is building a geothermal facility in Paisley, Oregon.

Keeping rates affordable for our members is a challenge in a difficult rural Oregon economy that is experiencing double digit unemployment rates in many areas of our service territories.

I was pleased to serve on RPS Task Force and raised concerns about rate impacts of the RPS for small, consumer owned non-generating utilities that have grown dramatically because of data centers, such as Umatilla Electric Co-op. The analysis done by the Oregon Department of Energy confirmed that the rate impact of the RPS would be felt early on for UEC, and the Task Force looked at a range of alternatives to address rate increase for consumers.

We agreed on a proposal to allow additional renewable energy certificates for utilities like Umatilla and Central Electric to be able to smooth the costs of RPS compliance. This important new compliance tool would obviate the need for a Ballot Measure making hydro as a renewable resource under the RPS. We also agreed to stand down on major fights on the RPS. I think we all welcome that news.

A lot of credit goes to Rep. Greg Smith and Margi Hoffman for their leadership during this process. Rep. Smith constantly reminded us to “drive toward the center” in our deliberations. I believe we achieved that, which was no easy task. There is a lot of passion around the RPS issue, but I believe we came away with a win-win.

I also want to thank Lisa Schwartz and Julie Peacock at the Oregon Department of Energy for their excellent analysis that helped us make informed decisions.

I urge the Committee to support HB 4126. Thank you for the opportunity to testify. I would be happy to answer any questions.