



HOUSE COMMITTEE ON ENERGY AND ENVIRONMENT

Testimony in Support of HB 4036

Tuesday, February 2, 2016, 8 a.m.

By the Community Renewable Energy Association

My name is Brian Skeahan. I am the executive director of the Community Renewable Energy Association, or CREA. I appreciate this opportunity to testify in support of HB 4036 with amendments.

CREA is an ORS Chapter 190 organization comprised of 13 Oregon Counties, two irrigation districts, along with an affiliate membership with the Oregon Water Resource Congress, a number of small private power developers and individuals supportive of small, non-utility developed community energy projects. My testimony today is also supported by the Renewable Energy Coalition which represents 32 members who own 41 small energy projects, primarily hydroelectric less than 7 MW and biomass facilities across 5 states.

CREA is supportive of the passage of HB 4036 with the amendment described in the attachment. We believe HB 4036 asks the proper questions, should Oregon continue to transition away from electricity generated by coal, and if so what should replace that coal generation? CREA believes that, having already decided to provide for the orderly closure of the Boardman coal plant Oregon should now establish policy for the orderly transition away from coal by wire. And having eight years of successful implementation experience with Oregon's current Renewable Portfolio Standard CREA believes a significant component of the needed replacement energy should come from renewable energy sources.

We are proposing an amendment because we believe that **there is a place in HB 4036 for smaller, community-based Oregon projects.**

As you know, Oregon's existing RPS includes a goal that 8% of Oregon's electric load would come from smaller community based generation (20 mw or less) by 2025. Unfortunately, we have not made sufficient progress toward the 8% goal.

The amendment simply takes that goal and makes it a requirement - that by 2025, at least 8% of Oregon's investor owned utilities' retail electrical load come from small-scale community renewable energy projects interconnected with an Oregon utilities' transmission or distribution system with a generating capacity of 20 megawatts or less.

With this change we **invest in our homegrown industry** that offers our best chance to **create jobs and jumpstart rural economic development.**

Community-based renewable energy projects are defined as small-scale renewable energy projects with a generating capacity of 20 megawatts or less. ORS 469A.210.

To date there are projects operating in almost every county of Oregon. These projects return to communities significant increased benefits including tax payments and jobs through direct investments and allied services and activities.

**Types of Projects:** hydro, solar, waste water, biomass, geothermal, and wind.

There is considerable evidence that smaller, non-utility privately developed and community developed projects provide great benefits to local economies. Smaller, decentralized and dispersed generation provides greater grid security and can enhance system reliability, particularly with the increased threat of attacks, physical or cyber on electric infrastructure.

Finally CREA believes that it is good public policy to create some non-utility competition for the construction of electric generation in Oregon. This was recognized by the legislature in 2007 when it adopted the Renewable Portfolio Standard. At that time the legislature established as a goal that eight percent of Oregon's retail electric load come from community based projects of less than 20 MW by 2025. There has been no definitive study to determine how close to achieving that goal we are. However based on my research we are not particularly close to this goal on a statewide basis. It also appears there may be differences between the investor owned utilities in this regard.

In closing, CREA supports HB 4036, with the suggested amendment to assure Oregonians that a portion of the needed renewable projects will be built in Oregon.