

Eight Reasons to Oppose House Bill 4036
Submitted by Joe Nadal, PGE Customer
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1. The proposal was developed “behind closed doors” by parties with special interests in promoting additional massive subsidies for solar and wind resources: environmental groups and Oregon’s two major investor-owned utilities. There is insufficient time in the 2016 short legislative session to carefully review a proposal of this magnitude. It deserves an in-depth analysis, available to the public in advance of adoption, of the environmental and economic risks as well as benefits.
2. The current proposal is inequitable. The benefits of subsidized solar and wind power flow to a narrow section of Oregon residents: utility stockholders, environmental advocates, and resource developers including the utilities and citizens who install such resources. These are mainly upper-income folks. The majority of rate-payers and tax-payers will have to underwrite the higher costs in the form of higher rates and taxes.
3. The proposal virtually guarantees higher costs to Oregon business including small businesses and their current and prospective employees. This can only harm Oregon’s long-term business environment.
4. Massive amounts of additional renewable power will reduce further the flexibility of the hydro system, causing additional water to be spilled and potentially hurting salmon runs. As it is, Oregon’s existing wind power mainly benefits California, not Oregon. Surplus power from over-building additional wind and solar in advance of need will likely be sold over interties to California at prices well below full cost. The unrecovered costs will fall on all Oregon rate-payers.
5. The rate impacts will also fall on customers of Oregon’s consumer-owned utilities. Their costs will be higher because their Bonneville rates will increase through the residential exchange subsidies received by PGE and Pacific Power from Bonneville.
6. When Boardman shuts down in 2020 there will be no more coal plants in Oregon. Coal plants in Wyoming and Montana that partly serve Oregon will continue to operate as necessary. Any net carbon reduction benefits of the proposed legislation are not quantifiable with any degree of accuracy and are largely speculative. Any effects on global warming or climate are symbolic, not substantive.
7. There is no evidence that most Oregon citizens favor continued subsidies to radically expand wind power development at the expense of more visual pollution, bird mortality and other land uses.
8. Finally, a long-touted benefit of renewable resources is potentially shorter lead-times, allowing more flexibility in long-term planning to accommodate unpredictable changes in power needs, technology and energy markets. The continuing push for more legislatively-mandated amounts of renewable power undermines this benefit.

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