

From: SAVAGE John F.
To: SADHIR Ruchi * GOV
Subject: Coal-to-Wire
Date: Thursday, December 17, 2015 1:06:05 PM

Hi, I'm probably straining our friendship a bit to send this but I feel compelled to weigh in on the no coal by wire bill and ballot measure (putting aside the higher RPS, which has its own issues but is less problematic). I understand you all met with the Governor's chief of staff yesterday and I certainly understand the Governor's position (from what little I heard about the meeting).

Of the two measures, I have far more concern about the no coal by wire for two reasons: (1) It won't alter one bit what coal plants run and what are shut down regardless of what folks say – with or without the bill, what plants are shut down and when will be determined by what happens in other states and for other reasons (e.g. EPA regulations). So, I see absolutely no carbon benefit. (2) Potentially, we'll be forced to substitute higher cost resources for cheap, fully amortized coal which will drive up rates for no good reason.

One amendment I'd have you all consider is to allow a waiver in this bill if a coal plant actually continues operating past its depreciation end date. If a coal plant that serves Oregon keeps operating, we could account for it in rates rather than swap it out for other resources. That way, we will not drive up rates if we're not actually reducing carbon emissions.

I have views on other things but I don't want to push it too much. ☺

Thanks for hearing me out.

John

