



Bureau of Planning and Sustainability

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March 13, 2017

Representative Phil Barnhart, Chair
House Committee on Revenue
900 Court Street NE, Hearing Room A
Salem, Oregon 97301

RE: HB 3032

Dear Chair Barnhart and Members of the Committee,

The City of Portland strongly supports legislation to enable projects pre-certified for energy tax credits be completed as approved. HB 3032, with amendments to ensure projects that have achieved pre-certification have their full three-year window for completion, will remedy the uncertainty faced by the City of Portland in relation to these valuable projects.

Pre-certified projects in process will be rushed, limited in scope, or otherwise changed from the plans laid out in the original application in order to meet the December 2017 sunset date. Projects were designed to be completed within three years in order to be eligible for a five-year credit.

The Bureau of Environmental Services is directing a project supporting renewable natural gas transportation fuel infrastructure, originally designed with a construction timeline due for completion in 2018. Without a change in sunset, the bureau will need to amend the tax credit reservation and significantly reduce the scope of the project relative to the original application. Additionally, a fleet conversion project approved in 2016 was designed to convert 19 vehicles. Without any changes, we will only be able to convert 5 vehicles by this year-end sunset.

A true soft sunset, with no new pre-certification after January 1, 2018, will allow these projects to work as designed.

The City of Portland respectfully urges your support for HB 3032.

Sincerely,

Danny Grady
Senior Energy Specialist
City of Portland Bureau of Planning and Sustainability



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