



Senator Lew Frederick and Representative Brad Witt, Co-Chairs Joint Ways and Means Subcommittee on Natural Resources Oregon State Capitol Salem, OR 97301

Dear Joint Committee Members,

Our organizations look to the Oregon Department of Energy (ODOE) to provide technical expertise, data, and thought leadership. We appreciate and utilize ODOE's state energy mix information. The passage of Senate Bill 1547 in 2016 chartered a new course for Oregon's energy future and ODOE has an important role to play in its successful implementation. Looking forward, Oregon will need to take additional steps to achieve its legislated greenhouse gas reduction goals, and it should be able to rely on its state energy department to inform those efforts. In addition, ODOE plays an important role in ensuring energy safety, including oversight of legacy nuclear energy issues.

Our organizations believe that Oregon is stronger and better positioned to lead on climate and the transition to a clean energy economy if our state energy department is well-functioning and resourced. Our state's energy resources are critically important to the health of our state economy and the well-being of all Oregonians. In response to global warming and the changing economics of clean energy, Oregon's energy system is rapidly evolving. Oregon needs the leadership of a strong energy department with a focus on climate and clean energy to inform this transition. Weakening Oregon's Department of Energy would signal that Oregon is not prepared to address the climate and clean energy challenge head on.

ODOE was and can continue to be a well-regarded agency in the state and nationally. The staff at ODOE is talented and committed. With the right leadership, resources, and clarity of scope and purpose, ODOE can be an important asset for both legislators and the citizens of Oregon.

ODOE Budget

Our organizations were heartened by many of the improvements reported on in the March 15, 2017 hearing. Improving stakeholder engagement, updating technology and communications, and attracting and retaining qualified staff are actions that should be lauded. While we understand the current budget situation, we are concerned by the proposed loss of some positions, including the potential elimination of the Residential Energy Tax Credit (RETC) program and corresponding staff. We believe the RETC is an excellent program that should be retained. RETC provides real benefits to residents across the state as well as the hundreds of renewable energy and energy efficiency companies that employ thousands of Oregonians. We are also concerned about the potential loss of positions under Energy Planning & Innovation. This is potentially worrisome if ODOE's mission expands (via other bills) to accurately reflect the need to incorporate climate change planning and coordination.

We are concerned about the following:

- Package 090 Analyst Adjustments
- Package 110 US DOE State Energy Program Fund Shift (related to sunset of RETC program)

A strong ODOE requires adequate resources to assess permits, oversee nuclear safety issues, and conduct necessary administrative activities. We support maintaining and increasing the Energy Suppliers' Assessment (ESA). We also specifically support the following budget packages:

- Package 140 Energy Siting Fiscal Support
- Package 150 Governor's Energy Policy Advisor
- Package 120 Renewable Energy Development Grant Program

Thank you,

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Climate Solutions

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