

March 29, 2017

House Committee on Energy and Environment:

Honorable Representatives

Ken Helm

Mark Johnson

Karin Power

Phil Barnhart

Cliff Bentz

Deborah Boone

Paul Holvey

Werner Reschke

David Brock Smith

My name is Shannon Souza. I am a 22 year resident of Coos Bay, a professional engineer and principal of Sol Coast Companies with a common mission of supporting strategic growth, responsible development and sustainable living on the Oregon coast. Since 2004 our energy division has developed its scope of offerings, earned certifications, invested in specialized equipment and trained ourselves and employees specifically to meet the requirements established by the RETC and utility incentive programs.

Our energy division has spent over \$9.7Million dollars in Coos County through material purchases and payroll, hired skilled tradesmen laid off during the recession, invested over \$25,000 in local science, art and educational programing in our public schools and supported the continued existence of local electrical and plumbing supply houses that are critical to our rural construction industry.

Because of the RETC program and the forethought of those tasked with the development of the technical requirements, Oregon solar and efficiency technology and installer proficiency standards are among the highest in the nation resulting in effective, durable systems and a highly trained workforce.

In our experience, the RETC has enabled rural Oregonians to invest in the infrastructure and resiliency of America by reducing transmission losses through a reduction in imported power and taking critical steps toward potentially lifesaving back up power capacity during prolonged utility outages.

Our residential energy clients vary in socio-economic profile; from bakers to bankers, loggers to lawyers, fishermen to physical therapists, widows to winemakers. While 1 in 5 of our clients have ready access to funds, many clients save for years or use home equity loans with terms commensurate with the RETC 4 year schedule to finance projects. Regardless of this diversity, all of our residential energy clients utilize the RETC and 3 out of 4 select system sizes based on the maximum RETC amount. The remaining clients use the RETC savings to further their investment into larger systems. Increasingly, battery backup which, when paired with a solar electric system is eligible for the federal ITC, has been added to our system scope.

In coastal Oregon, we are not strangers to storm and mudslide induced utility outages, nor is the path to recovery from a seismic or tsunami event ever far from our minds. All of the residential solar systems we now install include an emergency outlet sized for daytime charging of communication devices during utility outages.

We have installed over half a MW of RETC based efficiency and energy generation, saving coastal families over \$60k each year. We have leveraged over \$300k in RETC funds toward \$420k in utility incentives and an additional \$550 in Federal tax credits.

Thanks to the support of ETOs contractor development programing, my company is poised to take our game to the next level with continued growth and expanded market diversification. Last year we hired a marketing and sales manager to support that growth. In order to fully deploy, though, I have my eye on a skilled project manager – a local boy retiring from military service after 8 years and 2 tours flying tomahawks in Afghanistan. Through a military retraining program he has spent the past

6 months in project management training with a commercial solar installer on the east coast. It is exciting to envision the potential of doubling the number of coastal residents with secure renewable power supplies while continuing to invest in our rural economy.

Should the RETC sunset, however, we project that our residential energy market will decline by 90% and that our outreach and marketing would best be redirected away from community events and toward the few financial elite in our community who could afford to participate. As a result we would not hire a new project manager and would likely eliminate our sales and marketing position. Additionally, our skilled laborers and union electricians installing our solar would drop by 1.5 FTEs.

Thank you for your time.

Respectfully,

Shannon Souza, PE
Owner, Sol Coast Consulting & Design, LLC