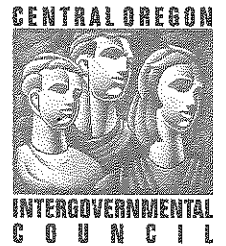


Energy & Environment Committee
Oregon State House of Representatives
Salem, OR 97301



May 22, 2017

*Everywhere
Central Oregon
Works*

Dear Representatives,

Central Oregon Intergovernmental Council understands that SB 634 creates parity for renewable energy technologies in Oregon, including clean and efficient thermal biomass. After passing 30-0 in the Senate, our organization saw that SB 634 was referred to the Energy & Environment Committee with a public hearing scheduled on May 22, 2017. We would like to respectfully include this letter as written testimony for this public hearing.

We understand that the bill (1) levels the playing field among various types of renewable energy technologies in Oregon, and (2) provides flexibility for public institutions across the state to choose the renewable technology which best suits their community's energy needs and local resources.

We have attached a one pager on SB 634, including background information on renewable biomass energy technologies. We have also attached a letter from Central Oregon stakeholders in support of SB 634 which requested a public hearing for this bill for your reference. We would be happy to speak with you or your office if you have any additional questions.

Thank you very much for your consideration.

Sincerely,

Scott Aycock, Community and Economic Development Manager
Central Oregon Intergovernmental Council

Energy & Environment Committee
Oregon State House of Representatives
Salem, OR 97301

May 1, 2017

Dear Representatives,

Central Oregon is a strong supporter of SB 634 and its aim to create parity for renewable energy technologies in Oregon, including clean and efficient thermal biomass. After passing 30-0 in the Senate, our region saw that SB 634 was referred to the Energy & Environment Committee, and we would like to respectfully request that you schedule a hearing to discuss the bill. We have attached a one pager on SB 634, including background information on renewable biomass energy technologies. We would be happy to speak with you or your office if you have any additional questions, and look forward to the opportunity to testify if and when the bill is scheduled for a hearing.

Thank you very much for your consideration.

Sincerely,
Central Oregon, *including signatures from the following:*

Central Oregon Intergovernmental Council

Craig Volz, E4 Energy LLC

Crook County Commissioner Jerry Brummer

Dan Varcoe, Member of Sunriver-La Pine Economic Development Advisory Group and
President of La Pine Community Action Team

David Stowe, Deschutes Collaborative Forest Project Steering Committee Member, Business
Owner, Lifelong Oregon Resident

Ginny Kansas-Meszaros, Ginny Kansas Real Estate

Greg Shipley, Cascade Carbon

Jeremy Totman, T2 Inc.

William Song, Energyneering Solutions Inc.

SB634: It's Time to Level the Playing Field

WHAT'S THE PROBLEM

Renewable energy technologies do not have a level playing field in Oregon.

Under current law, only solar and geothermal technologies are eligible to meet the 1.5% renewable energy budget requirement for public building construction and renovation. This excludes modern community-scale wood heating systems that are clean, renewable, reduce energy costs, enhance forest health and management objectives, and support jobs in rural communities.

Existing eligible technologies don't meet the energy needs of all Oregonians.

Electricity prices throughout Oregon are among the lowest in the nation. However, most of Oregon's rural communities don't have access to natural gas, which means they rely primarily on fuel oil, propane, and electricity for heating – contributing to high and unpredictable heating costs. Solar electricity technologies do little to reduce these energy costs, and geothermal resources simply aren't widely available. In contrast, these same areas are often rich in biomass resources.

WHAT SB634 WILL DO

EXPAND renewable energy implementation in underserved areas of Oregon

GENERATE real energy savings for communities that need it

ESTABLISH an equal playing field for renewable energy technologies

EMPOWER communities to choose the technology that works best for where they are

SUPPORT forest health and restoration objectives

EXPAND awareness of a viable, clean renewable energy technology

CREATE good paying jobs in rural Oregon

DID YOU KNOW...

Oregon is a national leader for community-scale biomass development. The state has more than 20 biomass thermal installations across 10 counties, providing heat and hot water to schools, hospitals, airports, and visitor centers. Oregon is home to 6 pellet plants, a boiler manufacturer, innovative biomass project developers, and an active network of non-profit and governmental allies helping to raise awareness about modern wood heating.

Modern Biomass Heating Facts

In the Northwest, heating with biomass from forest stewardship is better than losing resources to wildfire and open burning.

After decades of fire suppression, dry forests in the Northwest have become overgrown with small trees. The effects of climate change are compounding this, and contribute to increased tree mortality by insects and disease. As a result, annual wildfires are more intense, burning the crowns and damaging the ecosystem, and fire seasons are longer than ever, releasing tons of uncontrolled emissions each year.

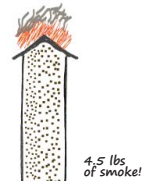


Source: Sustainable Northwest

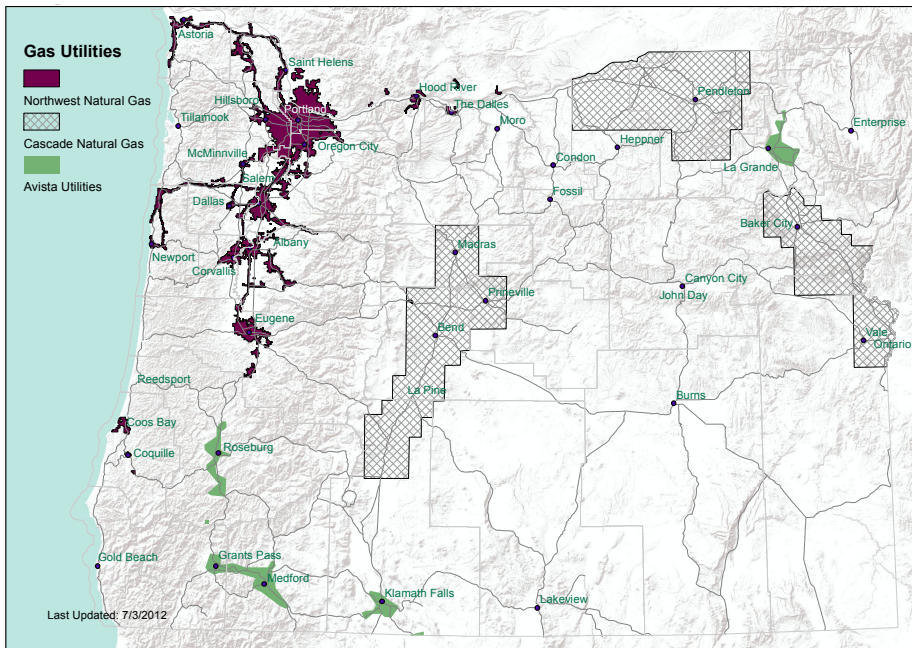
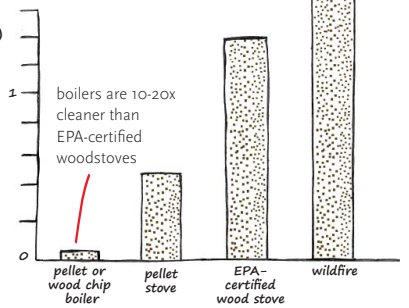
There is a better alternative...

Modern pellet and chip boilers make use of woody residuals from forest restoration projects and sawmill operations. They harness the energy that would otherwise be released in a wildfire, or during required removal of slash piles.

And particulate emissions – smoke – from boilers are thousands of times lower than wildfire or burning slash piles.



Particulate emissions (smoke) from a variety of wood sources (lbs PM/MMBtu)



Most of Oregon's rural areas do not have access to natural gas. In these places, residents are reliant on fuel oil, propane, and electricity for heating, and subject to expensive and volatile heating costs. Source: Oregon Dept. of Energy

Biomass fuels can generate substantial savings in reduced heating costs. The table below provides an approximate comparison of available heating fuel prices in Oregon. Source: Wisewood Energy

FUEL	Wood Chips	Wood Pellets	Natural Gas	Propane	Heating Oil	Electricity
COST (\$/Unit)	\$30/ton	\$165/ton	\$0.80/therm	\$2.00/gal	\$2.50/gal	\$0.09/kWh
COST (\$/MMBtu)	\$4/MMBtu	\$12/MMBtu	\$8.45/MMBtu	\$25/MMBtu	\$23/MMBtu	\$26/MMBtu