

TESTIMONY

Senate Committee on Business and Transportation

February 14, 2018

Oregon Farm Bureau Regarding SB 1552

Thank you for the opportunity to present testimony in response to SB 1552. As a reference, the Oregon Farm Bureau Federation (OFB) is the state's largest general agriculture association, representing 7,000 families actively engaged in farming and ranching across the state.

Family farmers and ranchers operate on extremely thin margins. That's why it's important that operating costs remain low. The Rural Electrification Act of 1936 ensured our farms would have access to stable and affordable electric power and provided a resource for scalability and prosperity. Electricity on the farm opened economic opportunities and expanded the viability of Oregon's farming families while remaining a vital tool for success. SB 1552 allows us to continue the conversation about the affordability of inputs that are necessary to the continued operation of agriculture.

The Klamath Hydroelectric Settlement Agreement dictates many of the activities in the Basin. The resulting regulatory structure is complex and inflexible, and we don't believe that the needs of farmers have been fully considered. It leaves many farmers and small businesses concerned about potential rate increases. To that end, we are supportive of increased public process and dialogue between IOUs and customers. OFB has, in fact, initiated our own conversations with utilities on behalf of our members, and we are committed to moving forward that conversation. We also support checks on the quasi-governmental Oregon Energy Trust in SB 1552.

Thank you for the opportunity to testify. For more information, please contact Jonathan Sandau at <u>sandau@oregonfb.org</u>.