



July 21, 2020

Co-Chair Taylor, Co-Chair Reardon and members of the Joint Interim Committee on Ways and Means, Subcommittee on Natural Resources:

Thank you for the opportunity to submit testimony to the Subcommittee on the Oregon Department of Energy's (ODOE) budget. The Oregon Municipal Electric Utilities Association (OMEU), the Oregon People's Utility District Association (OPUDA), and the Oregon Rural Electric Cooperative Association (ORECA) represent 36 of Oregon's consumer-owned utilities.

As you are aware, the bulk of ODOE's funding comes from the Energy Supplier Assessment (ESA). As not-for-profit, community utilities, the ESA is passed on to our customers on their electric bills, many of whom are now out of work and struggling to pay their bills.

The COVID-19 recession is hitting our customers and our utilities hard and will be for the foreseeable future. While we appreciate the Subcommittee's focus looking to the Second Special Session will be on ODOE's limited General Fund expenditures, ESA payers are also experiencing revenue shortfalls that demand the Legislature's attention.

Last week, we participated in the statutorily-required meeting that ODOE held with ESA payers to discuss their proposed 2021-23 budget. In light of the current economic situation, we were shocked to learn that ODOE plans to submit an agency request budget that relies on an **11.9% increase** in ESA. This is incomprehensible to us.

We are proud of how COUs have stepped up to help our communities during this pandemic. COUs know it is not a time for a business as usual approach. Based on ODOE's budget proposal for the next biennium, we don't get the sense that ODOE appreciates that. In the absence of a statewide cut in personal services (e.g. – furloughs, suspending COLAs, etc.), which ODOE indicates is driving the large ESA increase, we believe the agency's 10% cut must be an essential component of ODOE's 2021-23 budget.

Additionally, without corresponding agency cuts elsewhere, we cannot support any of the agency-proposed Policy Option Packages (POPS). If they are key priorities, ODOE should make cuts to fund them within existing resources. Now is the time to take a hard look at current expenditures—just as COUs, local governments and businesses around the state have been forced to.

Sincerely,

Ted Case, Executive Director, Oregon Rural Electric Cooperatives Association tcase@oreca.org

Jennifer Joly, Director, Oregon Municipal Electric Utilities Association jenniferjoly@omeu.org

Danelle Romain, Lobbyist, Oregon People's Utility District Association
dromain@RFlawlobby.com



Dear Co Chairs Taylor and Reardon,

My name is Anna Kemper and I work for Premier Solar NW, a solar installation based in Portland, Oregon. We are a small company that has been installing residential and commercial solar systems since 2011 throughout Northwest Oregon. I work for Premier Solar NW as our Marketing and Sales Manager and also serve on the Oregon Solar Energy Industries Association (OSEIA)'s policy committee. We are also members of Solar Oregon and one of many companies that has been served by the Oregon Solar Rebate program this year.

In order for Oregon to meet its climate and economic goals, we must support our small but robust solar industry. As I write this, the weather forecast for the weekend shows two days in a row of 100 degrees. The climate is changing, and we have limited time to make an impact in order to mitigate the worst impacts of the impending climate crisis. The Governor's 2020 Executive Order on Climate stated we must take action at every level of government and in the economy to lower our carbon emission statewide.

Beyond that, we are facing serious economic stress due to the current Coronavirus panic, and thousands of Oregonians are facing job loss and serious economic stress. We should be encouraging programs like the Solar Rebate Program which enables solar companies across the state to get solar on Oregon homes and businesses. As a small, local business we've felt the stress of COVID-19 as potential customers need more of an economic incentive in order to install solar.

Solar in Oregon employs hundreds of people across the state. Beyond that, the Solar Plus Storage rebate funding enables those who traditionally might not have been able to access solar to find the funds to install systems. There are numerous examples of programs that have or could use the Solar Rebate Grant money, including the Old Mill Center for Children and Families in Corvallis which serves early intervention and parent support for children birth to 18 and their families.

Please protect the proposed \$120,000 in grant funding that will unlock an additional \$720,000 in Oregon Homeowner and federal funding towards solar projects. We need solar energy to create a sustainable and just future with reduced GHG emissions, and we need solar to stimulate our economy and strengthen our communities.



climate solutions

accelerating the transition to our clean energy future

July 23, 2020

Senator Kathleen Taylor and Representative Jeff Reardon, Co-Chairs
Members of the Committee
Jt. Interim Committee on Ways and Means
Subcommittee on Natural Resources
Oregon State Capitol
Salem, OR 97301

Re: Co-Chair Rebalance Plan for Natural Resource Agency Reductions

Co-Chairs and Members of the Committee,

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. We respectfully urge that you do not make cuts to critical climate and clean air programs during a public health emergency, particularly the long-fought-for Solar + Storage Rebates program at the Department of Energy.

Cutting the remaining \$120,000 worth of rebates for Oregonians to put solar and storage on their homes takes away a critical incentive for solar - particularly in many rural areas. **Instead of taking these dollars away, the remaining dollars should be directed to be used solely to provide more rebates to low-income families** (which the program is already structured to deliver). This would ensure the benefits flow to Oregonians who need them most while sustaining solar installation jobs and preserving a program that will be a cornerstone to our state's road to an equitable, clean energy recovery.¹

We recognize and truly appreciate the incredibly difficult choices you are facing, and want to first thank you for the enormous amount of time and care you've invested in steering the state through this unprecedented public health crisis and economic fallout. It has been devastating and we recognize you do not face any easy decisions as you look at rebalancing the budget, particularly without needed financial support from the federal government.

¹ Oregon, similarly to California, lacks a plan to support clean energy jobs lose. LA Times, "California still doesn't have a plan to bring back clean energy jobs lost to COVID-19"
<https://www.latimes.com/environment/newsletter/2020-07-23/boiling-point-clean-energy-jobs-covid-pandemic-boiling-point>

In addition to the major effort you and your colleagues have been undertaking to provide critical and emergency support to families and businesses hurting across the state, we also need to keep our eyes on what building blocks are needed to dig out and rebuild to create sustainable and equitable prosperity for residents across the state. We have to do more than merely talking about stimulating the economy and sparking a green, equitable recovery that enables Oregon to ‘build back better’ – we need real action that supports it. **As the climate crisis bears down on Oregon – sparking wildfires, droughts, water crises and toxic algae blooms across our state this month – cutting one of the only existing economic development tools to spur clean energy and provide community resiliency contravenes these values.**

The Solar + Storage rebate program is currently sustaining solar installer jobs (an industry that has taken a major hit²) and enabling meaningful projects and economic development to occur in these tough times. Investments in rooftop solar projects reduce air and climate pollution, increase resilience, and lower household energy bills.

Because it is paired with storage, the ODOE’s solar + storage rebate program enables resiliency and home-grown clean energy access for homes across Oregon. There is no other state support available for Oregonians in many rural areas outside Energy Trust of Oregon territory to afford the upfront cost of installing rooftop solar and storage. **Steady, reliable and affordable electricity is especially critical to rural families while sheltering in place due to COVID and having to stay indoors when wildfire smoke envelopes many parts of the state and electric utilities may have to shut off power due to fire risk.**

Importantly, this program is designed to ensure a substantial portion of the available rebate dollars are reserved for systems for low- or moderate-income residential customers and low-income service providers. **Instead of cutting the remaining rebate funds, why not dedicate all of the remaining Solar + Storage Rebate dollars to low-income customers to ensure the projects can help reach low-income families who will benefit most from reduced energy bills, decreased air pollution and increased resiliency?**

If the remaining rebate funding is cut, we are also concerned about the longer-term future of this program, which was hard fought for many years after the Residential Energy Tax Credit program was axed in 2016, and is a critical component to green recovery efforts in our state. Unless the Legislature replenishes rebate dollars in the 2021 Legislative session, this is the de facto death of Oregon’s short-lived solar rebate program, yet again.

² Solar Power World, “E2 report: Nearly 600,000 clean energy jobs lost since pandemic began,” May 2020: <https://www.solarpowerworldonline.com/2020/05/e2-report-clean-energy-jobs-lost-since-pandemic-began/> ClimateSolutions.org

Like COVID-19, the climate crisis exposes and intensifies health disparities that exist in the United States for those most vulnerable – especially communities of color and low-income families. As climate impacts for frontline communities worsen, Oregon should not be rolling back the limited clean energy progress we have that’s in place and working for families across the state. **What programs and tools does Oregon have available that can recharge and repower our state’s economic recovery?** We need solar installers to be able to stay in their jobs now, so they’re getting a steady paycheck, and ready to work in the clean energy economy as we build back from this economic downturn in a better, cleaner way.

Thank you for your consideration of these comments, and doing what you can to preserve Oregon’s small but meaningful rooftop solar program.

Sincerely,



Meredith Connolly
Oregon Director
Climate Solutions

ClimateSolutions.org

Seattle

1402 Third Avenue, Ste 1305
Seattle, WA 98101
tel 206.443.9570
fax 206.624.2022

Olympia

219 Legion Way SW, Ste 201
Olympia, WA 98501
tel 360.352.1763
fax 360.943.4977

Portland

222 NW Davis St, Ste 300
Portland, OR 97209
tel 503.332.9893