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February 22, 2019

Senate Committee on Environment and Natural Resources Oregon State Capitol 900 Court St NE Salem, OR 97301 Submitted via email to <u>senr.exhibits@oregonlegislature.gov</u>

Dear Chair Dembrow, Vice-Chair Olsen, and Members of the Committee:

I am the General Manager of Hood River Electric Cooperative (HREC). We provide electric service to approximately 3,950 members in Hood River County, Oregon, in the communities of Odell, Parkdale, Mt. Hood, and Pine Grove.

HREC urges your support of SB 408 as amended by the Dash 1. The bill addresses a gap in the tool box for land use decision makers to subdivide land zoned Exclusive Farm Use (EFU) for utility facilities necessary for public service.

HREC is in the initial planning stages of a project to add a new power substation in the Pine Grove area, which would be served from a new HREC-owned transmission line. This substation is needed to accommodate growing electrical loads and improve reliability in the industrial center in Odell, which is home to Cardinal Glass, Diamond Fruit, Duckwall-Pooley, Stadelman Fruit, and many other companies. Currently, our Odell substation is served by a Pacific Power transmission line which we have no control over. If that transmission line is affected by a power outage, we do not have the ability to re-route enough power from other areas to serve all of the load and must ask some of our large commercial customers to curtail operations until transmission service is restored. If this type of outage were to occur during the peak of the harvest, it could have a significant negative economic impact on the fruit growers in our community.

All of the land in the area where our new substation will need to be sited is zoned EFU. Currently, although county rules would permit us to subdivide a parcel sized appropriately for our substation, state rules differ. Under state rules, we would need to either lease the land back from a landowner or purchase an adjacent parcel of EFU. SB 408 as amended would closely align county and state rules, and benefit both landowners and utilities by allowing an efficient process for the necessary outcome. The amendment protects the parcel from being rezoned or redesignated in the future if infrastructure is removed.

HREC urges your support of SB 408 as amended. It's a good bill and addresses a much-needed gap in the current state statute. Thank you for the opportunity to submit this testimony. If you'd like to visit further, I can be reached at (541) 436-8573 or libbyc@hrec.coop.

Sincerely,

Libby Calnon, General Manager