



Senate Committee on Environment and Natural Resources
Oregon State Capitol
900 Court St NE
Salem, OR 97301

February 25, 2019

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

Umatilla Electric Cooperative (UEC) is a member-owned business that sells energy, invests in and supports other services to improve the quality of life in our communities. UEC serves a large portion of the Columbia Basin and Blue Mountain country of Northeastern Oregon. The cooperative's territory is located west of Boardman in Morrow County and covers much of Umatilla County surrounding the cities of Hermiston and Pendleton and into the Blue Mountains.

UEC 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 Exclusive Farm Use (EFU) for utility facilities necessary for public service (which by statute, does not include commercial facilities for the purpose of generating electrical power for public use by sale).

The issue came to light when Morrow County was trying to subdivide land into a smaller parcel for an approved substation on EFU property. Turns out there is no statutory or administrative rule authority to divide EFU land into a smaller parcel for utility facilities necessary for public use. As a result, either the landowner had to continue to own the property and lease the land back to the utility, or the utility would need to purchase an adjacent parcel to place the structure. The former is problematic because the landowner retains the liability of owning the dirt under a substation and the latter results in more EFU being taken out of production.

Looking at the current standards under ORS 215.263(3), county planners can create smaller parcels for specific recreational uses, transmission lines, museums, resorts, private schools, and dog kennels, all of which are conditional uses in the farm zone that counties may or may not allow; however, the statute does not allow the division of EFU land for utility facilities necessary for public service as an acceptable basis for smaller land divisions.

SB 408 does NOT give land use planners new authority to approve new conditional uses on EFU. Rather SB 408 as amended only allows decision makers to subdivide EFU into smaller parcels for utility facilities necessary for public service. The Dash 1 amendment ensures that should the infrastructure be removed in the future, that parcels created for a purpose described in ORS 215.215 (1)(c) or 215.283 (1)(c) may not, as a result of the land division, be used to justify redesignation or rezoning of resource lands.

I appreciate the opportunity to testify today and UEC urges your strong support of SB 408 with the amendment.

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