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March 12, 2019

Oregon State Legislator
House Committee on Energy & Environment

Re: Letter of support for HB 2857; hearing date March 26, 2019

Dear Oregon Chair and Commissioners:

Over the past three years Natel Energy has built relationships within the Oregon community to realize the potential for carbon-free hydropower generation to meet Oregon's clean energy goals. Natel Energy is a California-based turbine design, engineering and development company with a mission to provide low head, fish friendly hydropower.

In 2015, we successfully signed an agreement with North Unit Irrigation District and PacifiCorp for a viable project with a PPA. This project was sold to Apple, the current owner, who continues to bring growth opportunities supported by carbon free power to Oregon.

Oregon has the opportunity to be a leading state in supporting renewable development but has limited the penetration of renewables with an 8% of electrical capacity provision in HB 2857. Natel develops distributed hydropower throughout irrigation canals and watersheds with 10s of MW but recognizes the importance of including projects up to 100 MW broadens the opportunity for non-utility owned low-head projects to contribute to Oregon's renewable energy portfolio.

Natel's project pipeline extends throughout the state of Oregon. Natel has identified an additional ten sites within NUID's canal system as well as sites in other Oregon irrigation districts, none of which can support small hydropower projects at PacifiCorp or PGE's avoided cost rates and interconnection fees. Project development is also limited if the 8% cap is set with electrical capacity contributing to this minimum.

The system in Oregon is currently broken and has significantly decreased renewable energy development opportunities to meet the state's RPS goals. We ask for your support in regulation of public utilities to create an equitable marketplace.

Sincerely,

A handwritten signature in blue ink, appearing to read "Gia Schneider".

Gia Schneider
CEO
Natel Energy, Inc.