



March 22, 2019

Rep. Ken Helm, Chair  
House Energy and Environment Committee  
900 Court St. NE, H-490  
Salem, Oregon 97301  
Email: [rep.kenhelm@oregonlegislature.gov](mailto:rep.kenhelm@oregonlegislature.gov)

Subject: **NLine Energy Letter of Support for Community Renewable Energy (HB 2857 and HB 3274)**

Dear Chairman Helm -

NLine Energy, Inc (NLine Energy) is pleased to provide these comments in support of HB 2857 and HB 3274 as currently drafted.

NLine Energy is a full-service small hydropower development corporation, with headquarters in California and regional offices in various US States. As of January 2019, NLine Energy is solely responsible for approximately 38-percent of all sub-five-Megawatt small conduit hydroelectric development in the United States.<sup>1</sup> NLine Energy has reviewed, designed, constructed, and/or commissioned hundreds of small, conduit (man-made water conveyance) hydroelectric projects, which are, by definition, benign from environmental and regulatory issues.

Several studies indicated the vast potential for low-impact, small, conduit hydropower in the state<sup>2</sup>. NLine Energy partners with water infrastructure owners, typically public (municipal) agencies to assist them through the entire development process. Municipal agencies are tax-exempt and not afforded key federal renewable energy tax incentives offered to other renewable energy technologies. For this reason, small hydroelectric projects must heavily rely on a healthy development environment in order to stimulate the development of these projects.

- Correcting and ensuring that the prices paid include the cost the utility avoids by avoiding transmission costs and benefiting from local sources of generation.
- Ensuring all projects, whether new or existing, are afforded capacity payments in power pricing agreements.
- Changes the current community renewable standard from 8% of electrical capacity standard to an 8% of electricity sold standard to be consistent with the Renewable Portfolio Standard.

---

<sup>1</sup> Federal Energy Regulatory Commission, Qualifying Conduit Facility, Notice of Intent Active Project Listing

<sup>2</sup> Department of Energy, Pacific Northwest National Laboratory, Energy Trust of Oregon

- Increases the amount of non-utility owned low impact hydro resources that can qualify for the renewable portfolio standard from 40 average MW to 100 average MW will align with the total statewide potential.
- Strengthen the Oregon Public Utility Commission's current goals of promoting small scale renewable development and setting just and reasonable prices to a mandate.
- Give greater notice and hearing rights to customers and qualifying facilities when a utility proposes to change its price schedule paid to qualifying facilities, and gives certainty regarding when the new prices will take effect.
- Clarifies that renewable facilities are eligible for standard prices and contracts if they are 10 MW in size or smaller.
- Provide access to the Oregon courts to decide contract disputes between qualifying facilities and utilities.

Thank you for the opportunity to comment on these very important issues.

Sincerely,

A handwritten signature in black ink that reads "Mc Swindle". The signature is written in a cursive style with some decorative flourishes.

Matthew Swindle,  
Chairman and CEO