

March 22, 2019

Rep. Ken Helm House Committee on Energy and Environment Oregon State Legislature 900 Court St NW Salem, OR 97301

RE: Support for HB 2857 and Small-Scale Renewable Energy Facilities in Oregon

Dear Chair Helm and Committee Members,

I am submitting this letter as to petition for your support of House Bill 2857. Supporting HB 2857 will bolster opportunity for Oregon communities to benefit from the energy transition that is accelerating across the US, as well as in our state.

First a little about me. I am a native Oregonian and spent the majority of my upbringing in Wilsonville. I graduated from Wilsonville High School in 2006 and then moved to Colorado to attend the University of Colorado-Boulder where I earned my degree in Environmental Studies, along with a certificate in Renewable and Sustainable Energy from the National Renewable Energy Laboratory. My wife, our toddler son, and I moved back to Portland in May 2017 and since then I have been developing local and renewable solar energy projects here in Oregon.

As you examine the merits of the bill proposal, I would like to submit the following potential benefits for your consideration:

Policy Definition Benefits

Restoring the 8% standard to be based on electricity sold, instead of capacity, makes the compliance requirement and structure consistent with that of the State's other existing energy resource acquisition policies.

Reliability Benefits

Small-scale projects can help increase the geographic diversity in generation dispatch, which can produce meaningful benefits for reliability and grid resiliency.

Economic Benefits

Small-scale projects help distribute the positive economic impacts to more communities and Oregonians compared to just a few communities benefitting from a small number of large projects.





Siting and Efficiency Benefits

Small-scale projects are more easily sited closer to where the electricity is consumed. This helps minimize transmission losses from transmitting power over long distances and results in more efficient generation and consumption.

Electricity Cost Benefits

Since small-scale projects are more easily sited closer to load, they can supply electricity without the additional cost of having to procure transmission rights compared to projects sited farther away.

Technology Innovation Benefits

HB 2857 updates project eligibility provisions so that Oregonians can take advantage of innovation in energy storage, regarded by many as the 'holy grail' of the energy transition.

Existing Policy Benefits

HB 2857 expands access to justice for small-scale projects to help ensure project owners' rights are not diminished by utility malfeasance and correspondingly increases the incentive for utilities to wholly fulfill their current responsibilities as established by existing policies.

Finally, at a macro level it is important to recognize how the above benefits of HB 2857 complement the core intent of PURPA, and how Oregon's existing PURPA framework is a vital policy tool to meet RPS targets, as well as achieve goals given in ORS 758.515 for expanding renewable resources. PURPA is a tool to restrain the negative market outcomes of monopolies and encourage efficient markets and competition in the energy industry. This over time provides additional opportunities to deploy renewables due to continued innovation and technology cost declines. Therefore I hope you can see how the reforms in HB 2857 and PURPA are necessary tools to help ensure that the State can achieve its energy policy goals in manner that is economically efficient and fair for all Oregonians.

Respectfully,

Jonathan Nelson

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