



March 25, 2019

**TO:**

Chair Helm and members of the House Energy and Environment Committee

**FROM:**

Swalley Irrigation District, Bend OR

**RE:** Letter of Support for HB 3274

Swalley Irrigation District encompasses 17,000 acres of land along the Deschutes River stretching from Bend to Redmond. We serve water to local parks, schools, farmers, urban and rural citizens alike. We have been operating a small 0.75 MW hydropower plant in our irrigation system since 2010. At ribbon cutting time, we were the first District to successfully build and interconnect a new hydropower project in the State of Oregon in twenty years. While we were successful in building a new small-scale hydropower plant, most struggle and fail. When you dig deeper, the story is a chilling reality check that highlights the iniquitous practices of large private Investor Owned Utilities (IOUs), and the unbalanced set of complex, ever-changing rules that those big private utilities have woven over the last thirty years. HB 3274 strives to correct several of the massive obstacles that these private utilities have thrown up to remain the monopolies and monopsonies that they are in their respective service territories. HB 3274 aims to give the Oregon Public Utility Commission the legislative direction they need to properly support renewable energy projects in this state -- projects that our citizens demand -- despite corporate greed.

Over the last fifteen years, we have watched the small renewable energy industry struggle with what should be efficient contracting and fair rate-setting. The time for change is long past due. I am writing in strong support of HB 3274 because it aims to overcome the massive inequities and hurdles that renewable energy producers in Oregon face. HB 3274 will make a huge difference to community-based renewable energy generation projects that are operational and could be operational right here in Oregon -- all using existing water rights that are already passing through our canals and pipelines to our farmers.

The movement behind HB 3274 is to properly support renewable energy projects in Oregon, projects that are designed to support our local and regional economies and get us off our coal habit, black energy that is created and imported by the big utilities from other states such as Wyoming and Colorado. Oregon irrigation district-based hydroelectric renewable energy projects do not make money and we do not have investors. Rather, we invest 100% of our hydroelectric revenues back into our local communities. Our community-based, low-impact and fish-friendly hydro projects financially break even at best under current power-sales rates, and anything left over is used to build water conservation, water quality, and public safety projects -- projects that create jobs, projects that support local and state economies, the environment, and utility ratepayers alike.

We must support community-based renewable energy projects in Oregon, for Oregon, built by Oregonians if we want to make this state economically stronger

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and authentically energy-independent and greener for our children. I encourage you to dive into the real cost-benefits of community-based renewable energy projects and the jaw dropping trickle down economic and environmental benefits that HB 3274 will help foster -- we're talking thousands of jobs, tens of millions of dollars per year, and priceless environmental conservation work that will affect many generations to come.

Small-scale hydropower electricity sales are virtually the only way that Oregon irrigation districts can effectively finance improvements and fund modernization of their 100+ year old water conveyance infrastructure. Such modernization projects have wide spread implications for job creation/retention, the environment, our rivers and water supplies, agriculture, water rates, and the general economy at large.

We strongly disapprove of the continual monkeying of Public Utility Commission rules by IOUs that end up reducing our power-sales contract term lengths, and power-sales rates, causing vast uncertainties in our ability to improve our water delivery systems so that they may remain safe and reliable.

We hope that this legislature steps up to support a stable and uniform environment for non-utility owned renewable resource generation once and for all. Will the legislature be a beacon of hope, or will it do nothing and embrace IOU-willed hasty decisions that jeopardize the entire community-based renewable energy market that has been trying to blossom for decades? Our citizens want clean, renewable energy at fair prices and this bill will take necessary critical steps towards accomplishing that end.

We urge you to help create a stable environment for the renewable energy industry in this state by passing HB 3274 as-is. We urge you to be the leaders that finally capitalize on the tremendous multi-faceted socioeconomic and environmental benefits of distributed non-utility owned renewable energy resources that this state has to offer by passing HB 3274.

Respectfully,

A handwritten signature in black ink, appearing to be "Jer Camarata", written in a cursive style.

Jer Camarata  
General Manager  
Swalley Irrigation District

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