



KLAMATH IRRIGATION DISTRICT

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14 March 2019

House Energy and Environment Committee
900 Court St. NE, H-490
Salem, Oregon 97301
Email: hee.exhibits@oregonlegislature.gov
rep.kenhelm@oregonlegislature.gov

Re: Klamath Irrigation District Supports Community Renewable Energy HBs 2857 & 3274

Chair Helm and Committee Members,

Klamath Irrigation District (KID) urges the House Energy and Environment Committee to pass House Bills 2857 and 3274. These bills promote small-scale renewable energy projects in Oregon, help us address our state's ambitious clean energy goals, and support needed rural economic development. HB 2857 does this by clarifying and bolstering the Public Utility Regulatory Practices Act ("PURPA").

Klamath Irrigation District can trace its origins to the "Main" unit of the Klamath Project made pursuant to the 1902 Reclamation Act to serve the people of Klamath County. KID serves nearly 54,000 irrigated acres, has over 3000 Stakeholders, and with our partner districts, supports the economic foundation for Klamath County. In 2012, we partnered with a private developer to build the C-Drop Hydroelectric Facility on our system. This facility produces approximately 1,800,000 kWh of electricity annually, which is sold to Pacificorp. The revenue that we receive from this facility is used to reduce the assessments we charge to the taxpayers. They can then reinvest those savings in their farms and in the local community. This project would not have been constructed and could not continue to operate without PURPA. While Oregon has much more hydro potential, Oregon's current implementation of PURPA makes it nearly impossible to bring these projects to fruition and puts the continued operation of projects like ours in jeopardy.

HB 2857 addresses many of the things that make community renewable energy difficult and will allow Oregon to be a leader in making sure that clean energy opportunities are available for a wide cross-section of Oregonians going forward. Among other things, this bill ensures that the energy prices we're paid by utilities includes transmission savings because we generate locally, that we're paid fairly for our full capacity value, updates aspects of the community renewable standard, updates the amount of non-utility owned low-impact hydro that can qualify for the RPS, strengthens the goals of the Oregon PUC in supporting small-scale renewable energy development, and gives greater notice and hearing rights to customers and qualifying facilities when a utility proposes to changes its prices.

On behalf of our shareholders, we appreciate your service and support of local renewable energy. We look forward to ensuring that PURPA enables Oregon irrigators to be part of Oregon's clean energy future.

Sincerely,

Gene R. Souza
Klamath Irrigation District
District Manger