

May 13, 2019

Re: Urging your opposition to SB 451

Dear Senator Burdick and Senate Rules Committee Members:

The undersigned groups – **Oregon Citizens' Utility Board, Climate Solutions, Oregon League of Conservation Voters, Oregon Environmental Council, NW Energy Coalition, Sierra Club, and Renewable Northwest** – are writing to convey our deep concern for changes to Oregon's landmark Renewable Portfolio Standard and the agreement achieved in the Clean Energy and Coal Transition Act (Senate Bill 1547 - 2016).

We believe that the attacks being waged on Oregon's clean energy policies will ultimately harm Oregon ratepayers and set back our state's clean energy progress. Specifically, we are concerned about Senate Bill 451 and the concept of retroactively creating Renewable Energy Credit (RECs). While our organizations have made concessions to accommodate generation from the Covanta Municipal Solid Waste (MSW) generation facility, we do not support the interpretation that its renewable contribution should go beyond what was agreed to in SB 339 (2017), which allowed that some of this generation may be RPS-eligible.

We believe that the SB 1547 agreed "fix" that Covanta is referring to was embodied in SB 339, addressing biomass, which passed both legislative chambers and was signed into law on June 22, 2017, and which we supported. SB 339 capped electricity generated by any single biomass cogeneration facility that may be used to meet Oregon's small-scale renewable energy project requirement. It ensures that the state's 8% small-scale renewable energy requirement is met with a diverse set of resources, and is intended to be a capacity standard to ensure small, federally-mandated power purchases are being recognized as part of the state's clean energy mix.

We do not believe any deal was made, or should now be made, specifically with respect to Covanta. **None of our organizations, who negotiated SB 1547 together, recall any conversations about coming back to fix Covanta's issue considering that they missed the required 2011 deadline to qualify for RECs with the Western Renewable Energy Generation Information System (WREGIS) by 1/1/11.** This 1/1/11 deadline refers to MSW that began operation either pre-1995 (up to 11aMW per year), or post-1995 (up to 9aMW per year). SB 1547 Section 4 removed the provision that the RECs from pre-1995 MSW could be used before 2026. For biomass, section 14 allowed it to count to the small-scale standard (size of facility subsequently restricted) and section 15 allowed it to generate T-RECs. Per ORS 469A.029, all of these entities had to register with WREGIS by 2011 to be eligible for RECs.

Allowing Covanta, a new opportunity to generate RECs would not lead to any new renewable generation in Oregon, nor would it lead to any new investment in clean energy. Passing SB 451

would mean that existing power could displace new renewable energy generation at exactly the time when we need more GHG-free power.

Oregon's Renewable Portfolio Standard, established through a broad and diverse coalition in 2007, has allowed Oregon to grow into a national leader for renewable energy development, and should continue to do so.

Thank you for your consideration.

Sincerely,

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Oregon League of Conservation Voters

Bob Jenks
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Oregon Citizens' Utility Board

Jana Gastellum
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