



March 22, 2021

Chair Marsh, Members of the Committee:

My name is Andrew Stork. I am an Operations and Projects Manager of Klamath County Economic Development Association (KCEDA). I am here today to urge you to ensure that any legislation, including HB 2021, create a path to 100% clean energy includes specific provisions to support the development of long-duration energy storage facilities here in Oregon.

KCEDA is the lead organization in our county working to drive economic development and diversification of Klamath County through aggressive marketing, targeted recruitment, business retention/expansion, and strategic initiatives. KCEDA works continually to build a healthy Klamath, taking on the responsibility of planning, designing, and implementing strategies that can help improve our community, while also being funded and acting as a central partner to both private and public sector entities.

As a hub for regional economic development, we commend the Legislature for taking this proactive step to define our energy future. A stable, sufficient power grid is critical for the economic health of our region and the state. We rely on the affordability and reliability of electricity in our county to attract new employers and help existing businesses grow.

We appreciate the commitment to move Oregon to 100% clean, non-emitting resources and encourage Legislators to consider steps to ensure this transition occurs smoothly and without disruption to commercial and residential consumers. Our state has a wealth of renewable energy resources that should be tapped to support our economic and environmental future. Indeed, Klamath County is host to a rich supply of solar and geothermal capacity ready for utilization.

It is critical that we complement the development of renewable resources with the infrastructure needed to provide stability of supply. Sources like wind and solar offer clear benefits, but these intermittent sources must be complemented by ways to fill the gap when demand is high and supply is low. Recent disruptions from weather and wildfires here and across the nation have underscored what happens when the grid cannot meet the needs of our residents.

The gap in the supply to meet demand is not an abstract issue. Recent analyses project that Oregon and the Pacific Northwest will face a shortfall in capacity as soon as 2025. Now is the time to invest the resiliency of our grid and to ensure solutions are in place to meet our needs.

One of the most promising solutions is pumped energy storage. Long-duration energy storage creates the ability for us to bank electricity when supply exceeds demand and then serve it back to the grid when it is needed. Pumped energy storage is a proven technology and the backbone of storage solutions in many other countries also engaged in the transition to a clean energy future. If we are moving away from past models that relied on natural gas to fill this peak demand, it is clear we must move forward with effective storage solutions now to be prepared for the gap in 2026.

A pumped energy storage facility here in Oregon would offer clear benefits for our state and the community where it is located. One such project, the Swan Lake facility located in Klamath County, has already received its federal license and would have a major impact on our community. It would be the largest clean energy project ever built in Oregon – around \$800 million in investment and thousands of high-wage construction jobs over the 3-5 years it would take to develop. The developer has agreed to a Project Labor Agreement to ensure this project will benefit local workers and support our local economy.

The actions you take in this legislation will have a direct impact on the future of that project and other similar opportunities for Oregon. It is critical that legislation direct our utilities to begin addressing the question of energy storage now if we are to ensure grid and supply resiliency in 2026. California last year specifically approved administrative plans to require 1000 MWs or long duration pumped storage by 2026. Virginia also passed legislation last year mandating long duration storage as part of their transition to 100 % clean energy.

We appreciate that this legislation is complex and has broad implications for our energy future and our economy. We strongly urge you to ensure that this legislation addresses pump storage and includes provisions to encourage the siting of these facilities in Oregon. Utilities need this clear direction to incorporate long-duration energy storage into their integrated resource planning and the lead time for constructing these facilities does not allow us to push this conversation off for another time.

Klamath County sits at a nexus of the infrastructure that will drive our clean energy economy. We have a wealth of renewable energy sources waiting for development and we are located along the backbone of our regional grid, letting us add resources without entering into the difficult process of approving major transmission lines. And we stand ready to add a major energy storage facility that would provide a big boost to our local economy. In the interest of clean energy and ensuring the resource adequacy of the grid, economic development in Oregon, and high paying construction jobs in Oregon, we urge you to include the provision requiring long duration energy storage that was part of HB 2995 and HB 3180.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Stork". The signature is fluid and cursive, with a large loop at the end.

**Andrew Stork**