



March 30, 2023

Chair Ken Helm  
Vice Chair Annessa Hartman  
Vice Chair Mark Owens  
House Committee on Agriculture, Land Use, Natural Resources & Water  
900 Court Street NW  
Salem, Oregon 97301

RE: **Opposition to -3 Amendment Cost Shift on page 18, lines 12-14**

Dear Chair Helm, Vice Chair Hartman, Vice Chair Owens, and Members of the Committee:

Oregon Municipal Electric Utilities Association (OMEU) is made up of eleven municipally owned and operated electric utilities. The Oregon People's Utility District Association (OPUDA) includes all of Oregon's six PUDs. The Oregon Rural Electric Cooperative Association (ORECA) represents 18 electric cooperatives. As consumer-owned utilities (COUs) we are directly accountable to the people we serve through our city councils and local governing boards. Our rates are not-for-profit and set to cover the costs of service, not to earn a rate of return for investors.

While we support efforts to streamline the siting of renewable energy in Oregon, we oppose the language on page 18, lines 12 – 14, of the -3 amendment which would cap total fees for a notice, request or application related to a solar photovoltaic power generation facility to \$250,000.

According to testimony of Todd Cornett, Assistant Director for Siting for the Energy Facility Siting Council (EFSC), the average cost of review for a solar project is \$272,000. In situations where there is a contested case with multiple parties costs are substantially higher. These costs are not limited to Oregon Department of Energy (ODOE) staff, but also include Department of Justice staff, other state agencies, local governments, tribal governments, property owner notifications, newspaper notifications, Council meetings, and a third-party hearing officer to conduct the contested case phase.

If applicant costs for solar projects are capped at \$250,000, ODOE has indicated that any additional costs, including inflationary costs in future years, would have to be covered by those entities who pay into the Energy Supplier Assessment (ESA). ***This is an unfair cost shift to customers of consumer-owned utilities (COUs).*** The vast majority of Oregon COUs receive 100% of our power supply from the Bonneville Power Administration (BPA). Since COUs are not siting energy projects, we object to funding EFSC work through ESA since it has no connection to our work. ***We cannot support a cost cap if it means that costs in excess of the cap will be borne by our ratepayers via increased ESA.***

COUs are becoming increasingly concerned about the growth in the ESA, particularly given record high inflation, arrearages from the pandemic, and the skyrocketing cost of running a utility. We urge the committee to remove the cost cap language on page 18, lines 12 – 14. Renewable energy developers should be paying all ESFC costs associated with their projects.

Thank you for your consideration.

Sincerely,

Jennifer Joly, Director, Oregon Municipal Electric Utilities Association [jenniferjoly@omeu.org](mailto:jenniferjoly@omeu.org)

Danelle Romain & Mike Freese, Lobbyists, Oregon People's Utility District Association  
[dromain@RFlawlobby.com](mailto:dromain@RFlawlobby.com) [mfreese@RFlawlobby.com](mailto:mfreese@RFlawlobby.com)

Ted Case, Executive Director, Oregon Rural Electric Cooperatives Association [tcase@oreca.org](mailto:tcase@oreca.org)