MEASURE: HB 3582 EXHIBIT: V Joint Committee on Tax Credits 76thSession

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From:

Extra Effort Consulting & Supply

To:

Longacre Julia

Subject:

JTAX BETC Hearing

Date:

Wednesday, May 25, 2011 8:57:05 PM

To the Joint Committee on Tax Credits:

Our small company helps for-profit and not-for-profit business and municipal clients to improve their energy efficiency, mainly in the areas of lighting and variable frequency drives (VFDs). We frequently help our clients utilize the BETC (conservation) program to make these projects affordable.

The BETC is a critical component for keeping Oregon businesses competitive, as without it, very few of our projects meet our clients' payback and ROI requirements. Even with available incentives from the utilities or from the Energy Trust of Oregon, the paybacks are often still too high. On the conservation side, the BETC is crucial!

We employ four full-time people, and have plans to add others later this year. With the BETC in flux, we're holding off on that process until we know that the BETC program is being extended, as without it, adding additional employees would not be profitable. In fact, if the BETC (conservation) were to be eliminated or severely curtailed, our revenues would drop to the point where we would likely have to eliminate half of our existing employees. When talking to other contractors, we hear that many are in a similar situation. Energy rates have continued to climb, which helps paybacks, but the rates are still not high enough where most projects can stand on their own two feet without assistance from BETC.

We travel through many states, and can easily observe a deficiency of energy-efficient lighting as compared with Oregon. As lighting geeks, this is easy for us to notice. Oregon is a national leader in energy conservation, and the BETC is a key contributor to that success. We understand that the BETC has some problems, mainly in the renewables area. We ask you to please minimize the impact on the conservation side of BETC, as that program has been very successful for many years, it contributes to the existence of thousands of contractors like us, and it's an important part of what makes Oregon....Oregon.

Best regards,

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