

June 10, 2011

To: Members, Joint Tax Credit Committee

From: Mike Dewey  
Waste Management

RE: HB 3671-1 (Draft)

On behalf of Waste Management, I recommended to the Committee the insertion of “landfill gas” to the definition of “Renewable energy production system.”- Section 20 (7).

Waste Management produces electricity from the collection of methane at their landfill facilities in Yamhill County (Riverbend Landfill) and Gilliam County (Columbia Ridge Landfill). Currently the Riverbend Landfill generates 4.8 megawatts, and the Columbia Ridge Landfill generates 6.4 megawatts. Under current law, both these facilities qualified for Business Energy Tax Credits. In the case of Riverbend, the electricity created from methane is delivered to McMinnville Power and Light, and Columbia Ridge provides power to Seattle Power and Light. Also, landfill gas is currently under the Renewable Energy Portfolio (ORS 469A).

**Waste Management is considering the expansion of their energy output at Columbia Ridge to 9.6 megawatts. The total cost to upgrade facilities is about \$4 million, and will create additional jobs.**

**Landfill gas to electricity is available 24/7 to the power grid, which is not the case for some other renewable resources.**

**Also, Waste Management may be investing in facilities to fuel their vehicles used to operate landfills and collection facilities.**

**If Waste Management does not invest in new power facilities because of the *lack* of a state tax credit, the excess methane will be required to be burned (flared) which is not an ideal outcome.**