

March 20, 2019

Via Email

Representative Ken Helm
House Committee on Energy and Environment
Oregon State Legislature
900 Court Street NE
Salem, OR 97301

RE: SUPPORT HB 2857 AND SMALL-SCALE RENEWABLE ENERGY FACILITIES IN OREGON

Dear Representative Helm:

The purpose of this correspondence is to alert you to the immense importance of a bill that you'll soon have the opportunity to vote on, HB 2857. This bill has the potential to serve as an incredible driver of economic development across Oregon, particularly in the underserved areas of eastern Oregon that are rich in renewable resources. The key aspects of the bill are the following: first, it requires that the utilities obtain 8% of their retail electrical sales from community-scale renewable energy projects, which are defined as facilities 20 megawatts and under. Secondly, it ensures that Qualifying Facilities under the Public Utility Regulatory Policy Act (PURPA) of up to 10 megawatts are entitled to standard offer rates and contracts. We estimate that HB 2857 would act as the catalyst for the development of approximately 1,300 MW of new community-scale solar projects just to serve PacifiCorp's and Portland General Electric's 8% needs alone, representing \$1.3 billion in direct investment and \$9.1 million per year in local tax revenue.

Beyond the 8% requirement, the potential economic impact of increased solar development under PURPA is hard to overstate, as evidenced by the economic development statistics from the state that ranks number 2 in the nation for installed solar capacity, North Carolina.¹ The independent research group, RTI International, found that over \$10 billion was invested in clean energy development in North Carolina between 2007 and 2016, which contributed over \$12 billion to the gross state product over that same time and resulted in the creation of over 126,000 full-time equivalent jobs.² And these economic benefits overwhelmingly accrued to the poorest areas of the state, with 12 of the most rural counties each seeing at least \$200 million of direct

¹ <https://www.seia.org/state-solar-policy/north-carolina-solar>

² Petrusa, J., Callihan, R., & Hofmann, J. (2017). *Economic Impact Analysis of Clean Energy Development in North Carolina – 2017 Update*. Pgs. ES-1 – ES2. https://energync.org/wp-content/uploads/2017/10/NCSEA_2017_RTI_Oct.pdf



investment.³ As for ratepayers, the report estimates \$1.271 billion in retail energy savings over the study period, primarily in the form of reduced expenditures for thermal energy.⁴

This incredible success story was largely attributable to North Carolina's PURPA implementation rules, which included a standard offer project size large enough for developers to be able to take advantage of economies of scale, 15-year contracting terms, and biennial avoided cost updates. The state's favorable and consistent application of PURPA rules led to one of the most stable, robust, and long-term markets for solar energy development that the U.S. has ever seen. Consequently, an entire industry was born over the course of just a few short years – an industry comprised of developers, engineers, consultants, construction firms, manufacturers, university research labs, and an entire constellation of various service providers.

Oregon has the opportunity to replicate this success story and take its rightful place among the nation's leaders in renewable energy deployment. In doing so, it will provide a pathway to employment in one of the fastest growing industries in the world, unleash a wave of economic development that will enhance the livelihood and wellbeing of tens of thousands of the state's citizens, and help to ensure a viable climate for our children by reducing the emissions associated with global warming.

But this future will not come to pass without you, which is why we at Ecoplexus urge you and each of your colleagues in the Legislature to vote a resounding "YES!" on HB 2857 and support small-scale renewable energy development in Oregon.

Respectfully submitted,



Nathan Rogers
Director of Project Development – Western Region

³ Id. 2-5.

⁴ Id. 2-11.

