

March 22, 2019

Rep. Ken Helm, Chair
House Energy and Environment Committee
900 Court St. NE, H-490
Salem, Oregon 97301
Email: rep.kenhelm@oregonlegislature.gov

RE: Dorena Hydro Supports HB 2857
HB 2857

Chair Helm:

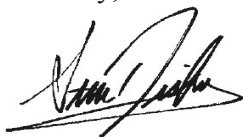
Dorena Hydro recommends that the House Energy and Environment Committee to pass House Bill (“HB”) 2857, to ensure that small scale community renewable projects can continue to operate and new projects can be built.

Dorena Hydro is an 8MW facility located on USACE’s Dorena Lake Dam in Cottage Grove, Oregon. The plant produces over 15GWh of clean energy annually, employs 2 local operators full time, and subcontracts all of its maintenance and repair work to local businesses where possible. Our project had its challenges throughout construction, making government subsidies and favorable/fair energy pricing even more important to the project’s success. The Dorena Hydro project currently operates under its power purchase agreement with PacifiCorp, and although our terms have been set, we look forward to the benefits outlined below at the time of contract renewal.

HB 2857 will make important changes in Oregon’s energy policy that allow existing and operating projects like Dorena Hydro to continue to sell power to the utility they are interconnected to. Most importantly, renewable projects that are currently selling power to the utilities provide them value because the utilities can count on us continuing to generate electricity for our entire useful lives, and should be paid for this capacity value in any contract renewals. HB 2867 will ensure this benefit provided by operating projects will be appropriately accounted for.

Dorena Hydro supports all other aspects of HB 2857, including but not limited to: 1) the requirement that qualifying facilities are paid for both the utility generation and transmission resources that are avoided when the utilities purchase power from us, 2) adopting a meaningful requirement that the utilities purchase community based renewable power by requiring that the utilities purchase 8% of their electricity from community projects (instead of 8% of their electrical capacity), 3) ensuring that the Oregon Public Utility Commission’s is required to increase the marketability of electric energy produced by qualifying facilities located throughout the and creates a settled and uniform institutional climate for the qualifying facilities in Oregon, and 4) qualifying facilities are provided notice of avoided cost rate changes.

Sincerely,



Steve Disley
Dorena Hydro, LLC