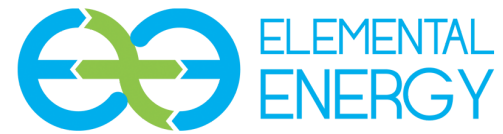


Elemental Energy
1339 SE 8th Ave
Portland OR, 97210



Esteemed members of the committee, Elemental Energy is a medium-sized solar company headquartered in Portland, Oregon. We operate in the residential, commercial, and industrial markets. We often bid on projects subject to the Green Energy Technology (GET) requirement. In the course of our work, we have noticed what seems to be a systemic non-compliance with the GET requirement. One such example from Seaside, Oregon is indicative of the central problem that installers face when pursuing GET projects: misinformation and a lack of an enforcement mechanism.

In reviewing the mechanical, electrical, and plumbing plans for Seaside's new educational facility, we noticed there was a solar component in the drawings, yet there was no entry to price the system in the bid documents. It is often the case that the solar scope of work is included in the electrical bid, so nonetheless we sent personnel to inquire how to bid the solar scope of work.

Unfortunately, upon our arrival, we were informed that the General Contractor had convinced the local clients that solar power would not work on the coast, citing an increased likelihood for leaks. Contrary to the contractor's rationale, a solar array does not affect the roof's warranty - indicating that roofing companies all over the country are willing to maintain their standard warranty with solar installed with their roofing products. Given the General Contractor's status as an expert in all things construction, the host may have been easily convinced that the project would not be feasible when in fact it was entirely feasible.

While Elemental Energy lost some time and money in pursuing this project, our central concern is that the GET requirement is hardly a "requirement" in practice. In our view, the GET requirement needs an enforcement mechanism. In an environment of constantly increasing labor costs, solar is often seen as the most expendable portion of the project - and one that contractors are increasingly realizing is a "soft" requirement. As more actors involved in the construction of government projects in Oregon realize the GET requirement has no teeth, one would assume that the intent of the Oregon Legislature will continue to go ignored.

From a more macro standpoint, the solar industry in Oregon is in the midst of a very bad year. In Q1 of 2019, the industry contracted 8% YOY largely due to the expiration of the Residential Energy Tax Credit in 2017. Additionally, the solar industry has been hit particularly hard by the tariffs on solar panels and steel enacted by the Federal Government. To help keep the industry on a stable growth path, we respectfully request that the GET requirement be modified to ensure contractors serving the State of Oregon comply with state law.

On a more positive note, MacLaren Youth Correctional Facility has been approaching their 1.5% GET projects in an innovative and efficient manner. Rather than installing the projects piecemeal, they have elected to build all of the solar infrastructure (transformers, gravel pad, fence) for their upcoming 1.5% projects. By centralizing and combining this array at one location, they are able to save taxpayers money due to economies of scale in construction. This is heartening from an equality of access standpoint as well - MacLaren serves a needy population, and it is nice to see them investing in clean energy on behalf of their residents. Projects such as these serve to show our communities - especially the disadvantaged - that the State of Oregon cares about investing in their futures.

Respectfully,

Zakir Hakim
Elemental Energy
1339 SE 8th Ave
Portland OR, 97206