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Dear Co-Chair Senator Taylor, Co-Chair Representative Reardon and members of the Joint Committee on Ways & Means Subcommittee on Natural Resources, I regret that I cannot be at the hearing on House Bill 2329 on Monday June 10, 2019. Please accept this written statement as my testimony on House Bill 2329.

Provided below are my reasons for opposing House Bill 2329. I believe House Bill 2329 would weaken and disrupt a state siting process which has been extremely effective in assuring that needed energy facilities are sited in a way that meets local community goals and is protective of the environment. House Bill 2329 weakens this process by removing most large renewable energy projects entirely from review by the Energy Facility Siting Council (Siting Council) and by substantially raising the threshold for solar projects subject to Siting Council review.

My opposition is based on my experience as Director of the Oregon Department of Energy from 2002 to 2009 and as Deputy Director for the previous 20 years. In those roles I oversaw the Department of Energy staff who provided technical support for the Energy Facility Siting Council. As a result, I attended many Siting Council meetings and closely followed its public process for making decisions on siting large energy facilities.

The Siting Council is composed of seven independent volunteer citizens appointed by the Governor and confirmed by the Senate. The Siting Council members review applications for large energy facilities to determine whether they meet state siting standards required by state laws and rules. The standards assure the applicant is financially and technically qualified to build and safely operate a large energy facility and to restore the site at the end of the operating lifetime of the facility. The large energy facility must also meet standards for the protection of the environment.

The state process for siting large energy facilities is a centralized process. This means that other state and local permits normally required of an energy facility of any size must occur in the Siting Council process. Conditions required by state or local agencies are made a part of the Site Certificate, the permit issued by the Siting Council. This simplifies the process of siting large energy facilities. There is a statutory deadline for the Siting Council to review applications for large energy facilities, including a shorter process for renewable energy projects.

The Siting Council has an excellent record of meeting statutory deadlines and making decisions on applications. In the last 20 years more than 3,000 megawatts of windfarms have been built in Oregon, making Oregon one of the top wind energy states in the entire country. The vast majority of these windfarms were large energy facilities approved by the Siting Council.

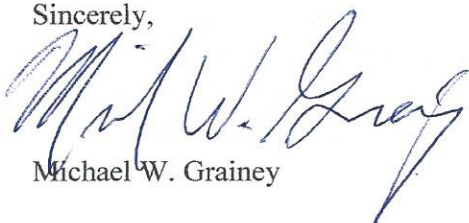
Moreover, in the 1990s the Siting Council approved over 2,000 megawatts of natural gas plants. These plants avoided new coal plants and laid the foundation for the shutdown of the Boardman Coal Plant by 2020, and the complete end to reliance on any out-of-state coal by Oregon utilities by 2030.

However, not every large energy facility is free from controversy. The Siting Council must also consider and carefully weigh concerns raised by the local community and any objections to the proposed energy facility. This is a difficult and complex task which the Siting Council has successfully carried out.

During my time as Director there were four very controversial natural gas plants proposed: the Grizzly Plant near Smith Rock State Park in Deschutes County, a power plant in rural Klamath County, a plant in Coburg north of Eugene, and a plant in Turner south of Salem. In addition, a windfarm was proposed bordering the Columbia Gorge National Scenic Area near The Dalles. All five projects generated intense local and regional opposition for a variety of reasons. As a result of the Siting Council process, all five of these proposed projects were terminated. This shows that the Siting Council process is a fair and equitable system. It should not be disrupted by House Bill 2329.

In conclusion, I believe that the State of Oregon has a fair and workable process for siting large energy facilities. House Bill 2329 would weaken that process and is unnecessary. I urge you not to pass this bill. Thank you for considering my statement.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael W. Graine". The signature is stylized and cursive, with a long, sweeping tail on the final letter.

Michael W. Graine