



March 6, 2021

To: Chair Helm, Vice-Chair Owens, Vice Chair Reardon, and Members of the House Committee on Water

**RE: Testimony in Support of HB 3221, the Oregon Renewable Options Program**

Dear Chair Helm, Vice-Chair Owens, Vice Chair Reardon, and Members of the Committee:

NLine Energy, Inc. is providing testimony in support of HB 3221, which would create the Oregon Renewable Options program.

NLine Energy, Inc. (“NLine”) is an Oregon-based, renewable energy development company that works to convert wasted energy found in water and steam transmission and distribution systems into renewable energy. Our company supports agricultural and municipal water suppliers through complex development and permitting processes, and we have developed 43 hydropower projects in 13 states, accounting for nearly 30% of the nation’s small hydropower development since 2013. In 2019, we moved our headquarters from California to Hood River because our business sees the opportunity for the installation of small, conduit hydropower projects at scale as Oregon’s irrigation districts modernize their water delivery infrastructure.

While the electricity from projects able to net meter their energy, such as rooftop solar, is valued at retail rates, larger local projects typically have to sell energy on the wholesale market. Over the past 12 years, wholesale power rates paid to local renewable energy projects in Oregon have declined dramatically. These low rates have made it nearly impossible for projects to achieve financial feasibility without significant outside subsidies. Reasonable power purchase rates that reflect the full range of values and benefits conduit hydro projects can bring at the local level are key to the long-term viability of these projects, and by extension our business here in Oregon.

HB 3221 is a novel solution, one that we hope is passed in Oregon and spreads to other states where we work. Local governments working with their existing utility in selecting the projects they want to see providing renewable energy to their communities would enable the government to meet its energy goals and support projects being able to negotiate for rates that make sense locally. In this scenario, everybody wins.

Respectfully, we ask you to please consider supporting HB 3221.

Sincerely,

Matthew Swindle  
Chairman, CEO, and Founder

Mr. Jose Perez  
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