

March 16, 2022

Steve Forrester, City Manager  
City of Prineville  
387 NE Third Street  
Prineville, OR 97754

**RE: Prineville Renewable Energy Project (PREP)**

Dear Mr. Forrester,

On behalf of Economic Development for Central Oregon (EDCO) and our regional board of directors, I am writing to express support for the City of Prineville's Prineville Renewable Energy Project (PREP). EDCO is a non-profit corporation founded in 1981, with the mission of creating a diversified local economy and strong base of middle-class jobs in Central Oregon. We assist in recruiting companies and industries to the Central Oregon region; help entrepreneurs start new, scalable businesses; and work with businesses that are already here to grow their operations, as well as administer State incentive programs for the region.

Prineville is historically a town that has excelled in natural resource-related businesses, especially the wood products industry. The Prineville Renewable Energy Project (PREP) is an amazing opportunity for the City of Prineville and Crook County to innovate and diversify traditional wood products employers and the jobs they provide. It can be more difficult to find employment within Central Oregon's rural communities than in some of their more metropolitan counterparts, so any family wage jobs created locally helps retain residents that traditionally might commute out of Crook County.

Having more diverse jobs available in the community can reduce the impact of an economic downturn like the one experienced in 2008, when wood products dominated most of the employment in Crook County. At that time Crook County had the highest unemployment rate in the entire state, reaching about 20%, from which it took nearly a decade to fully recover. The local economy has diversified immensely – in part due to the efforts of EDCO – since then, providing more economic stability during the crisis we have been facing the past year and a half created by the pandemic. According to the Oregon Employment Department's most recent Central Oregon employment data, Crook County is now back to 116% of pre-pandemic employment vs. 78% in Deschutes and 58% in Jefferson Counties.

Crook County has experienced a sharp increase in demand for electricity, largely attributed to the siting of Fortune 50 data centers in the community. This increase in demand has significantly reduced available grid capacity for existing businesses to expand and future businesses to develop where there is available industrial land. Bonneville Power Administration conducted a study of how best to meet future capacity needs in Crook County, which determined that increasing local, baseload power generation is the least costly option to meeting these needs.

PREP will create approximately 20 full-time jobs in the community, as well as 100 indirect jobs that will support the forest cleanup itself. This does not include the 200+ temporary construction jobs that will be required to get the project off the ground. With a successful rollout of the biomass project, other

PREP Support

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communities can replicate the concept around the state to increase the volume of clean energy, as well as mitigate forest fires and the polluted air that results during the dry season each summer.

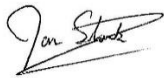
The proposed biomass project will tap into a new renewable energy source for the City of Prineville that is not weather-dependent and can be utilized 24 hours a day. This initiative by the City, in partnership with Crook County, would assist with business development efforts, local job creation, and improve the quality of life for residents through the generation of clean energy in partnership with local utilities.

An often-overlooked component of economic development is disaster resiliency – preparation and resolution of natural and economic catastrophes impacting the business climate and quality of life. Prineville is being proactive in their approach to forest health and well-being by mitigating the potential for forest fires by using woody debris on the forest floors to fuel this proposed biomass project, with the goal of turning a crisis into a positive - clean energy.

Many of our larger companies around the region pride themselves on sustainable practices and this will provide another avenue, largely untapped in the region, for power that isn't as dependent on seasonal conditions. The 24.9 MW of power generated will provide additional baseload utility capacity to support the growing number of new and expanding businesses and in-migration of new residents/employees that we have continued to see in Central Oregon over the past decade.

Please contact me if I can provide you with any further information. Thank you for the opportunity to provide support for this innovative project.

Sincerely,



Jon Stark  
Interim Chief Executive Officer  
Economic Development for Central Oregon (EDCO)

**Economic Development  
for Central Oregon**

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