

OFFICE OF THE MAYOR

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House Committee on Climate, Energy, and Environment Oregon State Legislature Oregon State Capitol 900 Court Street NE Salem, Oregon 97301

RE: Letter of Opposition to HB 2816- Relating to High Energy Use Facilities

Dear Members of the House Committee on Climate, Energy, and Environment,

I am writing today on behalf of the City of Prineville to express opposition to HB 2816 relating to high energy use facilities. If passed, this bill has the potential to seriously hinder economic development in Oregon, would impose undue burden on companies with high energy use facilities to meet the requirements, and would create an administrative burden with tracking and reporting requirements for both companies operating these facilities and the Oregon Department of Environmental Quality (DEQ).

Prineville is home to two global companies with large-scale data center campuses. These companies have high energy use facilities and due to their high level of environmental sensitivity, are already operating under self-imposed standards and requirements relating to carbon neutrality, without any mandates requiring it. For one company, this even extends to carbon neutrality for its supply chain and products by 2030. Passage of HB 2816 would add reporting requirements and impose mandates for what's already being done voluntarily.

Additionally, failure to meet the requirements outlined in the bill for baseline emission levels would result in both civil penalty of fines and preclude companies that don't comply with greenhouse gas emission standards from receiving tax exemption through the Enterprise Zone program. Currently, the Enterprise Zone tax exemptions offer the most effective tool in the economic development toolbox and potentially taking that away would be detrimental to communities across our state, and especially rural Oregon areas, such as Prineville.

In summary, this bill would be harmful to Oregon's economy and unnecessary as many companies operating high energy use facilities are voluntarily already meeting or exceeding the requirements of this bill. It would serve only to hinder job creation and economic development while adding administrative burden.

Thank you for the opportunity to express opposition to this bill and I strongly urge you to oppose it as well.

Respectfully,

OPNIZ SERVE

Jason Beebe Mayor