Southern Oregon Climate Action Now SOCAN Confronting Climate Change https://socan.eco Alan R.P. Journet Ph.D. Cofacilitator, Southern Oregon Climate Action Now 7113 Griffin Lane Jacksonville OR 97530-9342 <u>alan@socan.eco</u> 541-301-4107 October 11 2022

To Whom It May Concern:

I write as co-facilitator of Southern Oregon Climate Action Now on behalf of the over 2000 rural Southern Oregonians who are SOCAN (https://socan.eco). Our mission is to promote awareness and understanding of the science of global warming and its climate change consequences and motivate individual and collective action to address the resulting climate crisis. Within this framework, we also focus on social justice

I write regarding the effort to amend ORS307.175 which, I am guessing, will be assigned to the House Environment and Natural Resources Committee and the Senate Energy and Environment Committee.

We are very supportive of all efforts to promote community solar since a critical component of the new energy sector will likely be more localized mini-grids. Within a mini-grid system, community solar projects could be a key component. It should be our goal to promote community solar in any way we can. This is because the community solar option allows renters and homeowners with inappropriate roof orientation and inadequate structural capacity for solar panels and renters who cannot install solar themselves to take advantage of projects by buying or otherwise contracting with community solar operators to provide electricity to the grid that compensates for their use.

We need to acknowledge, however, that some 75% (approximately 120 mW) of community solar capacity will not be developed and managed by local resident or non-profit organizations. Indeed, to encourage solar energy generation, we should acknowledge that the vast majority of customer subscribers and solar projects are dependent on the success of pre-certified projects that have filled this percent of the program to date.

One of the basic energy inequities in our economic system is that Governmental funds are used extensively to subsidize fossil fuel. A 2021 report from the Brooking Institution placed the global subsidy at \$500 billion. Meanwhile, the International Monetary Fund estimated the figure for 2020 to be \$5.9 trillion dollars which turns out to be \$11 million per minute. For the United States alone, this study estimated the fossil fuel subsidy at \$662 billion (p. 38), a total that approximates \$2 billion per day. Those of us arguing for climate action have repeatedly urged the federal government to level the playing field and eliminate these subsidies. In the absence of such a step, the only way to level the playing field is to accord some breaks for those

seeking to promote renewable energy sources. One such step would be to offer property tax breaks for those willing to develop or invest in renewable energy production. Community solar projects offer a perfect example of how such an effort could promote the kind of energy production we need.

The key question is whether tax breaks should be offered to private companies wishing to enter the community solar project arena or whether such tax breaks should only benefit residential subscribers. If community solar energy generation is an effort we think laudable, it seems reasonable that individuals promoting such projects as commercial ventures should be encouraged with incentives in the same way that we still mistakenly incentivize fossil fuel.

The proposal to amend ORS307.175 comprises an effort to provide property tax breaks to all community solar projects. Recognizing that county Boards of Commissioners might resist such an effort, an alternative approach would be to provide companies establishing community solar projects with a tax credit equivalent to any county property tax that such companies pay. While we encourage the relevant legislative committees in the two chambers to consider these proposals favorably.

Respectfully submitted

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