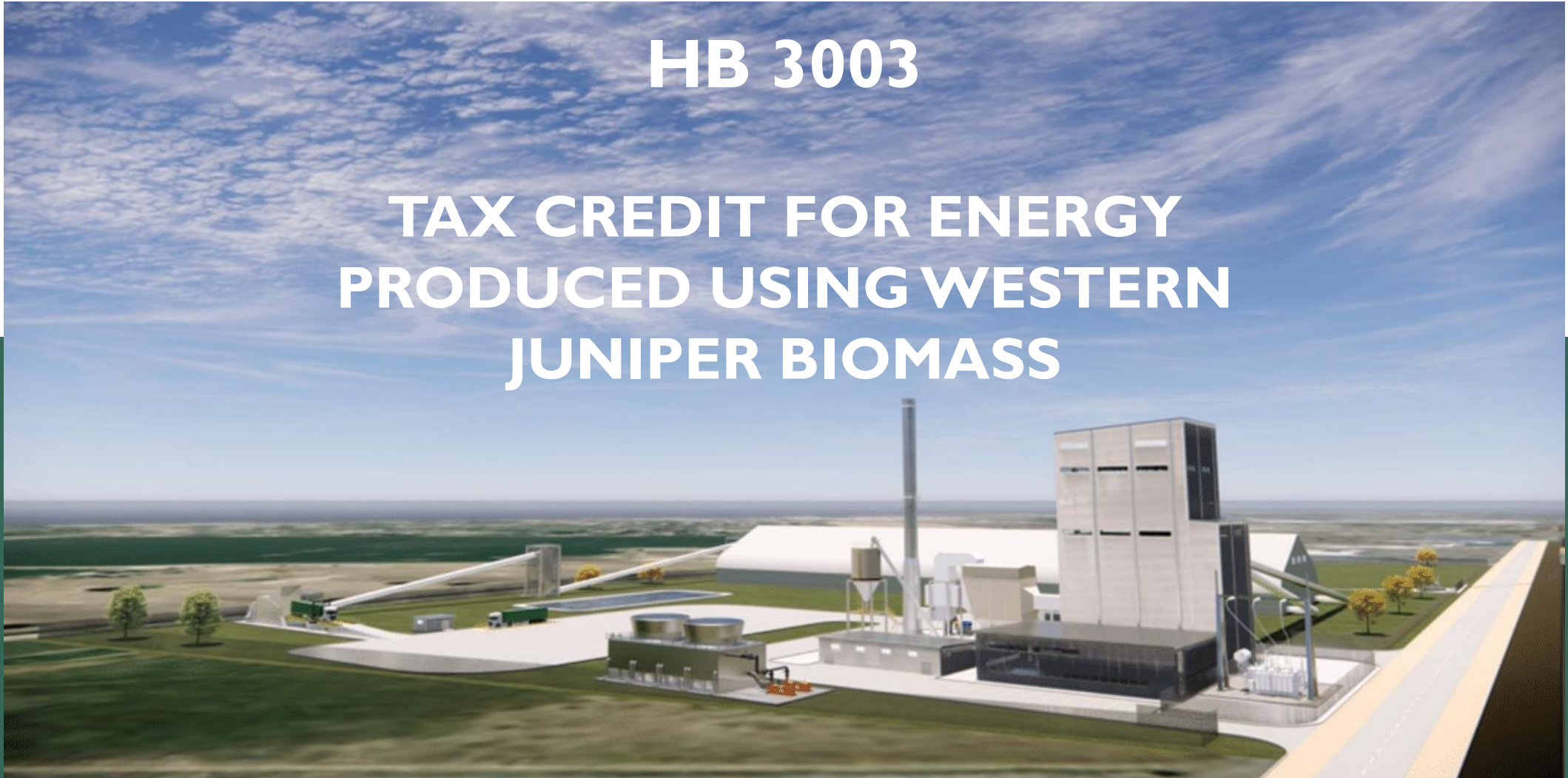


HB 3003

**TAX CREDIT FOR ENERGY
PRODUCED USING WESTERN
JUNIPER BIOMASS**



WESTERN JUNIPER ENCROACHMENT

- **Juniper range has increased tenfold in Central Oregon since the 1880s**
- **One acre of abatement results in an estimated savings of 100,000 gallons of water per year**
- **Camp Creek Paired Watershed Study**
 - Extensive, long-term study in the Prineville area
 - Confirmed that removal of juniper and reestablishment of historical grass/plant communities increased water availability



Keystone Ranch East of Prineville

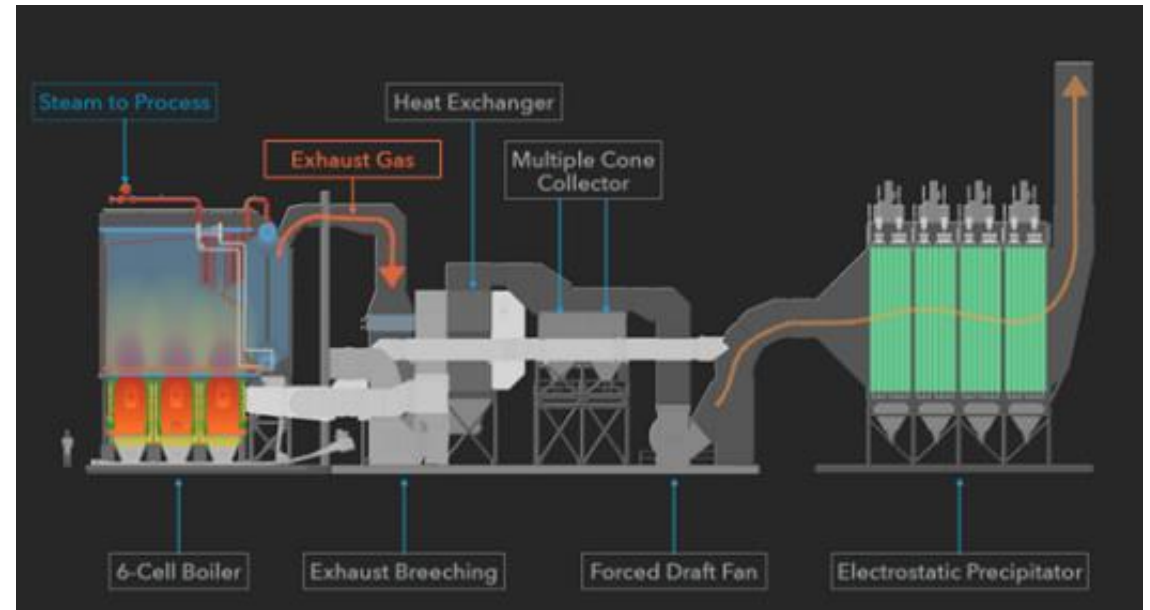
IMPROVE WATER QUALITY & QUANTITY

- **Decrease in outflow from Crooked River directly related to juniper invasion**
- Number of juniper infested acres in Crook County has increased to nearly 2 million acres
- Pre-European settlement juniper was confined to fire-safe localities such as rocky ridgelines
- **PREP creates a market for juniper biomass!**



PREP OVERVIEW

- 24.9 MW biomass co-generation power plant
- Renewable, baseload power generation
- Ultra low emissions- 99% reduction in carbon emissions compared to wildfire
- Extensive environmental and economic benefits
- Thermal attributes options
- Pilot project replicable elsewhere



THE PREP IS SET APART

Biomass Concerns

- Deforestation →
- Harmful emissions →
- Plantations- space and soil depletion →
- Transportation inefficiency →

Prineville Renewable Energy Project

- Forest/grassland health improvements
- Extensive emissions control technology
- No plantations, sustainably sourced fuel supply
- Backhaul and short transport distances for transportation efficiency

EXTENSIVE BENEFITS

1. Forest health improvements & wildfire risk reductions
2. Air quality improvements
3. Water quantity & quality Improvements
4. Increased carbon sequestration
5. Reduced landfill waste
6. Baseload generation- alleviate transmission constraints and improve community resiliency
7. Job creation and revitalization of forest products industry
8. Environmental justice



BENEFITS OF TAX CREDIT

- **Certainty to private investors**
 - \$8 million will leverage \$145 million in private construction capital
- **State to receive 100% of the benefits** of increased stream and river flows/increased water availability without paying 100% for the cost of juniper removal/management
- **Opportunity to:**
 - Address critical drought issues
 - Reduce harmful carbon emissions from wildfires
 - Reduce wildfire fighting costs
 - Create jobs

PROPOSED AMENDMENTS AND SAMPLE IMPACT

Proposed amendments developed by the City of Prineville

- “Qualifying western juniper biomass”- remove OWEB and revise verbiage to say biomass derived from western juniper in the state of Oregon
- Credit allowed shall be \$40 per megawatt hour of electricity produced from facilities using at least 30% qualifying western juniper biomass
- Applied to tax years beginning on or after January 1, 2025 and before January 1, 2031

Example impact for the Prineville Renewable Energy Project (PREP)

- Tax credit for PREP would total approximately \$8.4 million annually
- Project will create 15 direct and 100 indirect jobs
- \$145 million capital investment



QUESTIONS/COMMENTS?

THANK YOU!

