

April 25, 2025

Senate Committee on Energy and Environment
Oregon State Capitol
900 Court Street
Salem, Oregon 97301

Subject: Testimony in support of HB 3863

Dear Chair Sollman, Vice-Chair Brock Smith, and members of the committee:

For the record, my name is Ormand Hilderbrand. The Hilderbrand family has been farming in Sherman County since the late 1800's and continues to this day. While I farm, I have also installed a wind turbine project (6 turbines / 9 MWs) on our farm that I own and have operated since 2010, and I am on the board of directors for Community Renewable Energy Association (CREA). And I am also in the planning stages for a 5 MW solar and battery facility to combine with my wind turbines.

I support along with CREA - HB 3863

There are two tools that the IOUs have used to diminish the economic viability of small, local investor renewable energy projects – 1. Reducing the maximum size of a small energy project that qualifies for an Oregon PUC approved Power Purchase Agreement, such as what the IOUs were able to limit solar to 3 MWs 10-15 years ago, and 2. Price the energy at below the Avoided Cost. HB 3863 attempts to eliminate one of these harmful tools but codifying that small renewable energy projects of 10 MWs, whether they be wind, solar, low impact hydro, biomass – will be eligible for the firm Power Purchase Agreement as standardized by the Oregon PUC.

Initially the CAP established by the PUC was 10 MWs of generating capacity to qualify for standard avoided cost rates. It was a mistake to reduce the cap. At less than 10 MW it becomes very difficult to have a sustainable renewable energy project. Most utility scale developers will not go below 100 MWs.

Restoring the cap back to 10 MW will help us to revive a small but important sector of Oregon's rural economy – highly diversified and resilient, small renewable energy projects.

Why is this important to Oregon? The Oregon Dept of Energy 2022 study on small projects points out the diversity of these projects. Oregon has almost a 1,000 MWs of small projects – from biogas, wind, solar, low impact hydro, biomass and geothermal

And they are throughout Oregon

Just a few examples

Farmers Irrigation District – Hood River – Small low impact hydro.

Stahlbush Farms, Corvallis – Biogas

Finley Butte Landfill, Boardman – Land fill Gas

Lime Wind, The Joseph Family , Baker City / Durkee - Wind

Not only to these small renewable energy facilities return more financial benefits to the local community per dollar invested, they also provide resiliency. We may want these diversified, resilient small renewable energy projects at a time of crisis. While the IOUs focus on the GRID, our small projects can be channeled to the local community.

I hope the legislature will take action to support HB 3863 to help more small renewable energy projects from 3-10 MWs move forward to help Oregon meet our energy goals. Thank you for your consideration.

Regards

A handwritten signature in blue ink, appearing to read "Ormand", with a stylized flourish at the end.

Ormand Hilderbrand