

HOUSE ENERGY AND ENVIRONMENT COMMITTEE

Wednesday, September 18, 2013

HR E, State Capitol, Salem Oregon

Members Present: Representative Bailey, Representative Boone, Representative Johnson, Representative Bentz, Representative Dembrow, Representative Vega Pederson, Representative Whitsett

Member Excused: Representative Weidner

ADOPTION OF COMMITTEE RULES

The Committee adopted the proposed committee [rules](#) dated September 18, 2013.

IMPACTS OF CLIMATE CHANGE IN OREGON

Harry Peterson-Nedry, Founder, Chehalem Mr. Peterson-Nedry's [presentation](#) discussed how the heat of a growing season impacts the characteristics of the wine produced. Mr. Peterson-Nedry expressed that they are already seeing warming over the course of the last 50 years which is causing them to have to adapt by experimenting with new clones, varieties and growing techniques. Mr. Peterson-Nedry also discussed the activities their industry is engaging in to affect climate change, including participating in the Governor's Carbon Neutral Challenge, embracing renewable energy, making changes in practices through using different sprays and bottle weight reductions or bottle alternatives, and using green building designs and certifications.

Mark Wiegardt, Owner, Whiskey Creek Shellfish Hatchery Mr. Wiegardt explained the challenges that they went through in 2007 when they were unable to successfully produce any larvae for four months. Eventually, it was determined that this was because of a PH problem. Mr. Wiegardt worked with OSU to study their water and figure out a monitoring system to deal with the ocean acidification issues that they were faced with. Since identifying that ocean acidification was the problem they have had to adapt to find a new way of growing larvae. Mr. Wiegardt expressed that ocean acidification is a global problem but that Oregon can support research and data gathering to gain a greater understanding of what is happening.

Jeff Stone, Executive Director, Oregon Association of Nurseries Mr. Stone discussed two measures that were adopted by the Board of the Oregon Association of Nurseries in May of 2011. The measures were to reduce energy use by 25 percent in 10 years and to engage in climate friendly nurseries projects. To accomplish this they worked with 13 nurseries for three years to try and see what parts of nursery operations could be changed and how could they be measured. By implementing best management practices they were able to reduce emissions by 20 percent. Mr. Stone expressed that it is important for their industry to look at how they can adapt to new pests and issues that arise as a result of climate change.

IMPACTS OF OREGON'S CLEAN ENERGY ECONOMY

Judge Terry Tallman, Morrow County Judge Judge Tallman discussed the benefit to his community as a result of the [money](#) brought into Morrow County because of renewable energy projects. He provided the Committee with examples of different programs and projects that Morrow County has undertaken.

Varner Seaman, Policy Director, Renewable Northwest Project Mr. Seaman explained that rate increases attributed to the Renewable Portfolio Standard (RPS) are less than one percent. He explained that counties throughout the state of Oregon, largely in rural and eastern Oregon, have seen a 9 billion investment as a result of the dollars raised through the RPS.

Mike McArthur, Executive Director, Association of Oregon Counties and Community Renewable Energy Association Mr. McArthur discussed the growth in rural Oregon counties as a result of the [investment](#) in renewable energy in his [presentation](#). Mr. McArthur also discussed the opportunity for people to develop small scale renewable energy projects because the RPS includes the goal that by 2025 at least eight percent of Oregon's retail electrical load will come from small-scale, community renewable energy projects.

Derek Smith, Chief Executive Officer, Clean Energy Works Oregon Mr. Smith expressed that the mission of Clean Energy Works Oregon is to create jobs through the facilitation of home energy efficiency projects. The process as explained by Mr. Smith begins with a homeowner signing up; then an assessment is prepared that identifies the scope of the necessary work; at which time Clean Energy Works Oregon helps the arrange financing from a local lender; the amount financed can be paid back on the homeowner's utility bill because of the 2009 EEAST legislation. Mr. Smith explained that through this process one job is created for every 10 homes that they facilitate having evaluated. Mr. Smith discussed appropriation of \$9.8 million from last session and how the Governor had to veto \$4.8 million because of the source of the funding. Mr. Smith expressed that there has been a commitment to secure the remaining funds.

Robert Hamerly, Owner and Founder, Greensavers Mr. Hamerly explained that his company was founded in 2006 and has grown to 20 employees during the economic downturn. He discussed the importance of the public investment in these programs.

Jan-Michael Barlow, Senior Crew Lead, Sensible Energy Solutions Mr. Barlow highlighted the apprenticeship programs that have been developed. He also discussed the green jobs days that they have been participating in to expose youth to the industry.

OREGON'S GLOBAL WARMING COMMISSION BIENNIAL REPORT

Angus Duncan, Chair, Oregon Global Warming Commission Mr. Duncan delivered the statutorily required [biennial report](#) for the Global Warming Commission. Mr. Duncan's [presentation](#) included some background for the Committee and explained that data shows that Oregon met its 2010 greenhouse gas reduction goal. In order to continue to meet future goals certain reductions must be made. To meet the Legislature's 2020 goal emissions need to reduce another 19 percent from 2010 levels.

Alan Zelenka, Director of Energy Services, Kennedy/Jenks Consultants & Eugene City Council Member Currently, 50 percent of greenhouse gas emissions are attributed to cars and coal. Mr. Zelenka explained how projections show that federal standards like the Corporate Average Fuel Economy and the Environmental Protection Agency power plant rulemaking for the Clean Air Act will likely reduce emissions from coal and cars. He also discussed the Commission's grading process for their progress report included in the biennial report.

COLUMBIA RIVER TREATY REVIEW

Phil Ward, Director, Water Resources Department Mr. Ward provided some [background](#) on the treaty. The Treaty has no specific end date but either nation can terminate most of the provisions as early as September 16, 2024 with a minimum of 10 years notice given and Canada's obligation to provide flood control expires in 2024. As a result the US entities, BPA and the Corps have engaged with Northwestern states, tribal governments and other federal agencies in a multi-year 2014-2024 Columbia River Treaty Review Process.

Crystal Ball, Oregon Liaison, Bonneville Power Association Ms. Ball shared that they were on track to deliver regional recommendations. Prior to submitting their [regional recommendations](#) they will be releasing a draft for public comment on Friday, September 20, 2013.