

SENATE COMMITTEE ON  
AGRICULTURE, NATURAL RESOURCE AND THE ENVIRONMENT

April 10, 1995 Hearing Room 343  
1:00 P.M. Tapes 70, 71, 72A, 73A

MEMBERS PRESENT:

Sen. Bob Kintigh, Chair  
Sen. Bill Bradbury  
Sen. Bill Dwyer  
Sen. Tom Hartung  
Sen. Rod Johnson, Vice-Chair  
Sen. Marylin Shannon

STAFF PRESENT:

Bruce McIntosh, Committee Administrator  
Catrina Victor, Committee Assistant

MEASURES HEARD: SB -754, Informational Hearing  
SB -951, Public Hearing

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

Tape 70A

03 CHAIR KINTIGH: Calls meeting to order at 1:25 P.M.

05 Opens INFORMATIONAL HEARING on SB -754

10 BRUCE McINTOSH, ADMINISTRATOR: Reviews the provision and intent of SB 754. Announces the bill will come before the committee again within a few weeks.

Opens PUBLIC HEARING on SB -951

Witnesses:

Bob Hall, Portland General Electric, and member of Ad Hoc Energy Committee  
Margaret Kirkpatrick, Stoele, Rivas  
Ken Cannon, Industrial Customers of Northwest Utilities  
Jim Litchfield, Electric Power Consultant  
Sandy Flicker, Oregon RUM Electric Co-op. Association  
Terry Edvalson, Energy Facility Siting Council  
John Savage, Department of Energy  
David Stuart-Smith, Department of Energy  
Elizabeth Shuler, IBEW  
Liz Frenkel, Sierra Club  
Fred Hersh

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Page 2 Jane Cummins, League of Oregon Cities Lloyd Marbet, Don't Waste  
Oregon Council David Meek, Don't Waste Oregon Council Jill Zarnowitz,  
Oregon Department of Fish and Wildlife

060 BOB HALL: Testifies in support of SB 951 from written testimony  
(EXHIBIT C).

110 MARGARET KIRKPATRICK: Summarizes key problems with current siting  
statutes and SB 951's proposed solutions from written testimony (EXHIBIT  
G).

230 Continues her testimony.

280 KEN CANNON: Testifies in support of SB 951 and agrees with Hall and  
Kirkpatrick

316 JIM LITCHEIELD: Gives slide presentation of (EXHIBIT B) in support of SB 951, reviewing new competitive power markets and regulatory review of need for power.

Tape 71A

023 LITCHFIELD: Continues his testimony.

065 SEN. JOHNSON: Asks what the chance is that competitors offering electricity below BPA's prices are desperation bids that can not be sustained.  
080 LITCHFIELD: About one third of the bids are reliable.  
100 SEN. JOHNSON: Asks the average size of the plants.  
110 LITCHFIELD: From 20-50 mega watts up to 200-250 mega watts.

Discusses the competitive market in the Northwest and need for conservation renewals.

248 SEN. DWYER: Asks why the language dealing with global warming is being eliminated.

260 KIRKPATRICK: Explains references to global warming in state siting statutes and standards the council can adopt.

The power facility people have met with the Department of Energy and have come to an agreement with the SB 951-1 amendments (EXHIBIT D) which will make substantial changes to the original bill.

355 SANDY FLICKER: Oregon Rural Electric Co-op Association, Peoples Utility District Association, Oregon Municipal Electric Utilities Association support SB -951.

Gives reasons for support.

400 KIRKPATRICK: Summarizes SB 951 and the standard changes.

Tape 70B

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010 SEN. DVYER: Asks why ORS 469.380 is repealed and why the bill contains an emergency clause in the SB 951-1 amendments (EXHIBIT D).

023 KIRKPATRICK: There is an emergency clause because there is currently a facility in Umatilla County that is going through the siting process. With the emergency clause, the bill would be applicable to that facility. The repeal was put in by Legislative Counsel and we will have to get back to you with the reason.

Responding to earlier question; even with the narrowing of the range of standards the Council could adopt, energy facilities would still have to get their land use approvals, DEQ permits, water rights, Division of State Land approvals and other environmental approvals.

064 TERRY EDVALSON: Testifies in opposition to SB -951 and urges the committee to table the bill (EXHIBIT F).

190 SEN. HARTUNG: Asks Edvalson how long he has served on the council.  
195 EDVALSON: Seven years.  
215 SEN. HARTUNG: Feel you are not addressing the reality of how power is  
generated and  
markets determined today.  
234 EDVALSON: Not justifying the council's existence solely on the need for  
power issue. The  
energy generation industry is the only industry that can come to the  
council and get expedited  
siting because we have supersiting authority. Speaks of efficiency of the  
council's siting  
process.  
260 JOHN SAVAGE: Introduces David Stuart-Smith.  
Testifies in opposition to SB 951 in its current form from written  
testimony (EXHIBIT H).  
Have not seen SB 951-1 amendments.  
Reviews the Departments proposed amendments, part of (EXHIBIT H).

Tape 71B:

010 SAVAGE: Continues his testimony from (EXHIBIT H) listing the Siting  
Council's current need standard set forth in statute and rules.

055 Reviews proposed amendments to address four other concerns with the  
bill from (EXHIBIT H).

095 SEN. HARTUNG: What would you do to eliminate some regulations to allow  
private enterprise to do their business without compromising the quality of  
life.

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100 SAVAGE: Believes some of the procedural provisions set forth in SB 951  
would help  
streamline the review. Need clarity of the needs standards.

116 ELIZABETH SHULER: Reads written testimony (EXHIBIT 1) in support of SB  
951.

170 LIZ FRENKEL: Reads written testimony is opposition to SB 951 (EXHIBIT  
n.

Urges committee to table SB 951.

298 SEN. HARTUNG: Recommends the Sierra Club look at the amendments and  
come back to the committee. Impressed by 14,000 members of the club, but  
also impressed that there are 3 million people in the state who look to a  
productive, efficient energy industry to deliver its product. Also  
impressed that there are 7,000 workers in the industry. Those factors need  
to be considered. Believes all laws should be scrutinized on a regular  
basis.

328 FRED HERSH: Submits testimony of Jason Eisdorfer on behalf of the  
Citizens' Utility Board of Oregon in opposition to SB 951 (EXHIBIT M).

340 JANE CUMMINS: Reads written testimony in opposition to SB 951 (EXHIBIT  
L).

Tape 72A

005 LLOYD MARBET: Testifies in opposition to SB 951 from written testimony  
(EXHIBIT N).

180 DAVE MEEK: Test)files in opposition to SB 951 paraphrasing written testimony (EXHIBIT ~ Tape 73A

008 JILL ZARNOWITZ: Amendments to SB 951 take care of the department's concerns with section 20 of the bill, but not the concerns in section 18.

Department would like to participate with other parties to help its concerns.

020 KIRPATRICK: Clarifies Sen. Dwyer's question about the recommendation to repeal ORS 469.380. The bill we submitted to Legislative Counsel did call for the repeal of that statute. The bill would repeal ORS 469.380 because it is inconsistent with the provisions that would require people to show up for the first time at the public hearings in order to be a participant in the contested case, and to participate in the contested case in order to appeal to the council.

CHAIR KINTIGH: Adjourns meeting at 3:40 P.M.

Written testimony dated April 10, 1955 from League of Women Voters of Oregon in opposition to SB 951 is submitted for the record (EXHIBIT E).

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Transcribed by,  
Pat Z~ck

EXHIBIT SUMMARY:

A-	Not Used
B	SB 951: Testimonv - Jim Litchfield - 11 naEes
C	SB 951: Testimonv - Bob Hall - 1 DaEe
D	SB 951: SB 951-1 Amendment - Staff- 46 paEes
E	SB 951: 4/10/95 Memo - LeaEue of Women Voters - 1 DaEe
F	SB 951: Testimonv - T. Edvalson - 5 paEes
G	SB 951: Testimonv - M. Kirkpatrick- 8 paEes
H	SB 951: Testimonv - J. SavaEe - 8 DaEes
I	SB 951: Testimonv - E. Shuler - 4 DaEes
J	SB 951: Testimonv - L. Frenkel - 3 paEes
K	SB 951: Testimonv - D. Meek- 7 naEes
L	SB 951: Testimonv - J. Cummins - 1 naEe
M	SB 951: Testimonv - F Hersh - 4 paEes
N	SB 951: Testimonv - L. Marbet - 6 nazes

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