

June 14, 2011

To: Members of the Joint Committee on Tax Credits

From: Paul Woodin, Community Renewable Energy Assn.  
Doris Penwell, AOC  
Jeff Bissonnette, CUB; Fair & Clean Energy Coalition

RE: HB 3672-4; Comments on Renewable Energy Generation

Thanks for correcting so many of the issues related to generation in the previous draft. We are almost there, but feel we need to raise two issues in the -4 amendments.

**Section 27(2): Include site development costs in the definition of cost.** It is imperative to include "site development" to the definition. It currently exists in ORS Chapter 469.185(4). On larger community-scale projects in every technology these costs are significant. They include:

Site resource studies, meteorologists, hydraulic engineers, forest engineering studies, fuel availability, electrical engineers designing substations and transportation interconnections, permit applications and legal documents, financial studies and investor participation, biologists doing avian and cultural studies and assorted costs all to be conducted during site development. These costs all must be completed in order to make application for a grant.

**Section 30(2): Amend Line 15:** "If construction does not begin with[in] six months of an award under this section...". As stated earlier, 6 month in many cases is an unrealistic timeframe for beginning the construction process for anything other than a very small project. Receipt of the grant award would be the beginning of the development process for projects, after many months of preparing to submit the application. We recommend that you include language that **allows ODOE to grant an extension of the time period as needed, established in rules of the department.** The goal here is for developers to create projects that return value to the state in jobs, investment and clean energy.