

February 28, 2019

FILED ELECTRONICALLY

Chairman Michael Dembrow

Oregon State Legislature 900 Court Street, NW Salem Oregon, 97301

By E-mail: senr.exhibits@oregonlegislature.gov

RE: <u>Comments of Northwest Hydroelectric Association (NWHA) in Support of</u> <u>SCR1</u>

Dear Chairman Dembrow,

The Northwest Hydroelectric Association (NWHA) appreciates the opportunity to provide comments on the Oregon State Senate's hearing on SCR1 in support of environmentally-appropriate closed-loop pumped storage hydroelectric development in Oregon.

NWHA is a non-profit trade association that represents and advocates on behalf of the Northwest hydroelectric industry. NWHA has over 130 member companies from all segments of the industry. NWHA is dedicated to the promotion of the Northwest region's waterpower resources as a clean, efficient and cost-effective source of energy while maintaining fundamental environmental protections.

Oregon and the Northwest region are moving rapidly toward increased renewable energy and a low carbon electricity grid. Oregon is focused on renewable energy, promoting less dependence on fossil fuels, and participation in the Energy Imbalance Market (EIM). These initiatives allow for more effective renewable project participation. To support this move toward cleaner energy, Oregon will need to plan for new capacity resources to support a reliable and efficient electricity grid. To that end, NWHA strongly supports the Legislature's proposed measure SCR1 supporting environmentally conscious closed-loop pumped storage projects in Oregon and the creation of construction and fulltime operation jobs.

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Executive Director

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For a list of Directors, please visit our website The ultimate challenge for the transition to renewable energy is its intermittent nature. Grid-scale pumped storage addresses this challenge by providing bulk energy storage so that renewable energy can be re-injected to the grid when needed. Closed-loop pumped storage projects deliver clean, renewable energy storage that will significantly advance Oregon's climate objectives. These projects are essentially environmentally responsible grid-scale water batteries, enabling integration of variable renewable energy, providing significant energy storage capacity, and providing multiple grid reliability functions in place of conventional fossil resources. Grid-scale energy storage is an indispensable component of any

low- or zero-carbon electricity grid by providing the capability to balance variable renewable energy generated by wind and solar.

Measures like SCR1 provide valuable support for Oregon's utilities as they plan for future capacity additions in support of renewable and low carbon initiatives. By passing SCR1 in support of closed-loop pumped storage, Oregon's utilities will be enabling new options to reduce the state's dependence on fossil-fueled generation. Grid-scale energy storage projects increase the grid's overall security and reliability by enabling grid operators to dispatch a zero-carbon resource on demand—to meet high-volume electricity periods and displace higher carbon-emitting resources. Zero-carbon generating pumped storage projects are an important tool to support Oregon's clean energy objectives by maximizing the effectiveness of renewable resources and providing grid reliability services, helping keep the lights on for Oregon consumers¹.

NWHA would like to thank the Committee for taking a proactive approach with SCR1. NWHA recognizes the valuable contribution closed-loop pumped storage can make in support of Oregon's clean energy goals while supporting grid reliability and providing a boost to the local economy and job market.

Sincerely,

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Brenna Vaughn, Executive Director

¹ As an example, Rye Development and National Grid are developing the Swan Lake North Pumped Storage Project in Southern Oregon, a 400 MW closed-loop pumped storage facility.