

INTRODUCTION

I AM HERE TODAY REPRESENTING "THE PUBLIC", NOT JUST AN ORGANIZATION. THE TASK BEFORE YOU TODAY IS DETERMINING THE PUBLIC'S INTEREST IN ENERGY FACILITY SITING IN OREGON.

YOUR ANSWERS AFFECT MY -- THE PUBLIC'S -- LAND, AIR, WATER AND OUR POCKETBOOKS AS WELL. YOUR ANSWERS WILL HELP FRAME PUBLIC POLICY. HOW YOU ARRIVE AT THOSE ANSWERS WILL INVOLVE SIFTING THROUGH MANY DIFFERING PERCEPTIONS OF THE PROBLEM. LET ME REMIND YOU THAT IT IS THE PUBLIC FOR WHOM YOU MUST SPEAK. IT IS YOUR CALL.

Actual radio conversation released by the Chief of Naval Operations, Oct. 10th, 1995

#1: Please divert your course 15 degrees to the North to avoid a collision.

#2: Recommend you divert YOUR course 15 degrees to South to avoid a collision.

#1: This is the Captain of a U.S. Navy ship. I say again, divert YOUR course.

#2: No. I say again, you divert YOUR course.

#1: THIS IS THE AIRCRAFT CARRIER ENTERPRISE. WE ARE A LARGE WARSHIP OF THE U.S. NAVY. DIVERT YOUR COURSE NOW!

#2: This is a lighthouse. Your call.

HISTORY

OREGON 1971

In response to assertions by the utility industry that the northwest was in desperate need of 50 new nuclear reactors, the Oregon legislature in 1971 created the Nuclear and Thermal Energy Council (NTEC) to regulate the siting of new energy facilities in Oregon. The policy statement read:

ORS 453.315 In the interests of the public health and welfare of the people of this state, it is the declared policy of this state that the beneficial development of peaceful uses of nuclear and thermal energy and the disposition of the wastes thereof shall be accomplished in a manner consistent with the protection to the public health and safety and in compliance with the air, water and other environmental protection policies of this state.

This legislation required NTEC to designate "suitable and "unsuitable" areas for the siting of new nuclear or thermal facilities in the state. NTEC was required to consider, among other factors:

"... effects ... on natural resources and physical processes, including biomass, air, water, fish and wildlife."

"Land and water use...."

"Present and future industrial, commercial and residential power needs"

NTEC was authorized to establish standards and rules and its decisions were binding on agencies and local government.

Please note that this was 1971, two years before SB 100, the foundation for statewide land use planning; one year before the Clean Water Act and several years before the Clean Air Act.

Then came the oil crisis -- raising new issues about alternative energy sources such as energy conservation and renewables.

OREGON 1975

Energy conservation was clearly a goal of the 1975 legislature. Chapter 469, significantly entitled ENERGY CONSERVATION, included a statement of energy policy, provisions for a new Department of Energy, sections on "Alternative Energy Devices" and "Renewable Energy Resources" and also a section titled "Regulation of Energy Facilities".

"Regulation of Energy Facilities" established EFSC, replacing the old NTEC. The EFSC policy statement [469.310] is nearly identical to the replaced NTEC policy. Specific references to nuclear and thermal were dropped, as the new statute regulated ALL energy facilities, including high voltage transmission lines. Siting must now be in compliance with the state's energy, solid waste and land use policies -- as well as with air, water and other environmental protection policies.

ORS 469.310 POLICY. In the interests of the public health and welfare of the people of this state, it is the declared public policy of this state that the siting, construction and operation of energy facilities shall be accomplished in a manner consistent with protection of the public health and safety and in compliance with the energy policy and air, water, solid waste, land use and other environmental protection policies of this state.

The 1975 legislation also spelled out an Energy Policy for the state [469.010].

One of the "findings" of this policy:

Continued growth in demand for nonrenewable energy forms poses a serious and immediate, as well as future, problem. It is essential that future generations not be left a legacy of vanished or depleted resources, resulting in massive environmental, social and financial impact.

Oregon's energy goal was: "to promote the efficient use of energy resources and to develop permanently sustainable energy resources". Energy needs were to be met "with special attention to the preservation and enhancement of environmental quality". "Cost effectiveness" must be considered.

Thanks to Oregon's energy legislation and to Lloyd Marbet, the State of Oregon did not have to pay (either in rates or "vanished or depleted resources") for Pebble Springs. The State didn't NEED Pebble Springs -- so it was not built!

We all know about the WPPSS disaster -- a legacy which affected many Oregonian investors and utilities. This debacle occurred without ANY state agency review of need, cost-effectiveness or alternatives.

OREGON 1989

New legislation [469.501(1)(L)] required that EFSC must consider, when adopting a need standard, "all of the costs of the emission from energy facilities of gases that contribute to global warming". "Need" for a proposed facility was to be consistent with all state energy policy.

OREGON 1995 -- SB 951

The utilities, this was an industry bill, proposed to eliminate references to "continued growth".

They proposed to delete references to "cost-effectiveness".

They also proposed to delete consideration of the costs of global warming gases.

ORS 469.501(1)(L) In adopting the need standard, the council shall consider all of the costs of the emission from energy facilities of gases that contribute to global warming.

In fact, the establishment of your Task Force was a kind of quid-pro-quo for keeping these provisions in the law.

The utilities did succeed in deleting the state's global warming strategy.

ORS 469.060 (3)(e) A strategy for reducing the emission of gases that contribute to global warming. The purpose of the strategy shall be to reduce these emissions by at least 20 percent below 1988 levels by 2005 by giving priority to the use of conservation, renewable resources and alternative fuels.

The utilities added ORS 469.501(3):

The council may issue a site certificate for a facility that does not meet one or more of the standards ... if the council determines that the overall public benefits of the facility outweigh the damage to the resources protected by the standards the facility does not meet.

OUR PANEL

Our panelists will address:

the public's interest in siting energy facilities

the need for ~~standards~~ public oversight

~~the importance of the role of EFSC~~

INTRODUCTIONS

Pete West, an economist and senior policy analysis for the Renewable Northwest Project, a consortium of renewable energy developers, energy efficiency companies, environmental groups and consumer activist organizations.

Dan Meek, counsel to Don't Waste Oregon Council

Tim Stearns, Director, Save Our Wild Salmon Coalition ...