P. O. Box 40446 Portland, OR 97240-0446

July 31, 2012

The represented employees of the American Federation of State County and Municipal Employees Local 3336 appreciate the opportunity to comment on Governor Kitzhaber's Draft 10-Year Energy Action Plan.

We are a Union of more than 500 workers at the Oregon Department of Environmental Quality and enjoy professions that support air, land, water, and public health protection, natural ecosystems preservation, and environmental justice. As well, our values as a public employee labor union drive us to contribute to our communities, to encourage family-wage job creation across the state, to preserve public revenue for services to Oregon's citizens, and to work toward a stable, fair tax system.

We thank the Governor and the members of the Energy Action Plan Task Force for their vision and guidance contained in the 10-year Energy Action Plan. We support the Plan's high level goals to achieve environmental and economic progress through energy conservation, infrastructure investment and clean transportation. While "feed-in tariffs" are not explicitly mentioned in the Action Plan, we believe such energy contracts with homeowners and businesses would contribute to the Action Plan's goals.

Payments to homeowners and businesses for energy they produce includes an incentive to conserve, while tax credits do not. We recognize that tax credits encourage private investment, but in the short term, tax credits compete with public services for scarce funding. Requiring a tax liability also limits participation, particularly from lower income households and smaller businesses. A feed-in tariff's regular payments to the energy system's owner could provide similar predictability and affordability as the Action Plan's suggested "energy performance score" that would allow purchasers to amortize the cost of efficiency upgrades over the term of their loan.

A feed-in-tariff system could also be an effective way to increase the number of distributed energy generation systems, as the Action Plan envisions. These contracts with homeowners and businesses would open up the clean energy market to all Oregonians, in big towns and small, taking advantage of different kinds of clean energy sources across the state. Expanding the participation in clean energy investment outside of dense population centers would also spread out the employment from associated construction jobs.

We certainly do not pretend to be experts on this topic and do recognize the technical, economic and political complexity of implementing a statewide feed-in tariff. Foremost among our concerns is minimizing adverse financial effects on low income rate payers. We also respectfully acknowledge the concerns of our trade union sisters and brothers regarding potentially higher short-term energy prices and effects on business investment in Oregon. Still, we are confident that deliberative, creative problem solving among legislators, technical experts, labor unions, business leaders, non-governmental organizations and engaged citizens could overcome these obstacles, to the benefit of our economy and environment.

Thank you, again, for the opportunity to comment on this topic, so important to the healthy future of Oregon's citizens.

Sincerely, Karen Font Williams President, AFSCME Local 3336