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Salem Area Chamber of Commerce
1110 Commercial Street NE
Salem, Oregon 97301
503-581-1466; Fax 503-581-0972
salemchamber.org

October 21, 2010

OPUC Chairman Ray Baum
OPUC Commissioner Susan Ackerman
OPUC Commissioner John Savage

Dear Commissioners,

On behalf of the Salem Area Chamber of Commerce and over 1,200 business members, I write to urge the Commission to acknowledge PGE's 2020 operating plan for the Boardman Power Plant as part of the Integrated Resource Plan (IRP). PGE's proposal to cease coal operations at Boardman in 2020 will provide the best balance of cost and risk for PGE customers while achieving significant environmental benefits for Oregon.

The recent economic recession has been challenging for many of our members, and like households across Oregon, businesses are looking to hold the line on costs so that they can continue to serve the community. When businesses are able to prosper, it benefits everyone by creating new job opportunities and better revenues for government. That is why we support PGE's 2020 plan, which strikes the proper balance between economic impacts and environmental benefits. We were pleased to learn that the PUC staff recommendation urges acknowledgement of PGE's 2020 operating plan.

We also noted that the staff recommendation recognizes that the DEQ's 2015/2016 option for Boardman is not an acceptable or realistic proposal. Advocates of a 2015/2016 closure for the Boardman plant have not offered any credible reason to expect that reliable replacement resources can be acquired or built within such a short timeframe. The 2015/2016 proposal is simply not compatible with PGE's fundamental responsibility to provide its customers with reliable electric service at a reasonable cost.

However, we were disappointed that the staff's recommendation does not give PGE the certain course of action necessary to implement its resource plan if a reasonable 2020 Boardman proposal is not adopted by the Environmental Quality Commission and approved by the federal Environmental Protection Agency. Staff has stated that the Commission should not grant PGE's request for acknowledgement of a 2040 "backstop" if a reasonable 2020 plan is not approved, because the outcome of the EQC's deliberations is still unknown. From our perspective, the reality is that the EQC has already acted - last year - on the 2040 plan. In addition, DEQ staff at a September hearing at the Portland Metro building already acknowledged that PGE has every right under the law to operate Boardman until 2040 if required controls are put in place. It seems appropriate that acknowledgement of those same facts also be put into writing. We believe that the Commission should acknowledge the action that the EQC has already taken and allow PGE to proceed with the 2040 plan unless an acceptable 2020 plan is made actionable by EQC approval.

Thank you for your consideration of our views on this important issue.

Sincerely,


Mike McLaran
Chief Executive Officer
Salem Area Chamber of Commerce