

N O R T H W E S T

Statement of Edward Finklea
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Good morning. My name is Ed Finklea and I am the Executive Director of Energy Action Northwest, a coalition of business and labor interests that seeks to advance the cause of rational energy policy and infrastructure development for our region.

We have come to the state capitol today with one intention in mind...to appeal to Governor Kulongoski and members of our state legislature to change the conversation about Oregon's energy future.

Historically, this conversation has begun and ended with a focus on tomorrow...as we aspire to a promising energy future replete with clean power technologies and renewable energy sources. We share this aspiration and will do all we can to assure it is attained.

However, we are here today to signal the growing concern of business and labor that our energy *present* is at risk. Too much focus on our energy tomorrow has marginalized the prudent attention necessary to assure that our current and near term energy future is adequate and assured.

It is clear that our energy demand is in a period of rapid escalation over the short term...in terms of energy policy planning, that is the next 10-20 years. Consider the following:

Our need for natural gas to heat homes, power many businesses and, even more important, generate electricity, will double over the minimum time period most experts believe will be required to make a green energy future a reality.

Over the next ten years, our demand for electricity will increase by approximately 4,000 average megawatts. Keep in mind that natural gas is critically needed for electric generation today...a need that will intensify as we seek to convert electric generation from coal to clean burning natural gas.

And, with decreasing supplies of Canadian natural gas projected during this same time frame, we will inevitably be drawn into stiff competition for supply with other regions of our country. The Pacific Northwest already pays above the national average price for natural gas. Unless we expand regional pipeline capacity and build an LNG terminal, we will not be posited to compete strongly for supply.

Today, Oregon finds itself with an energy infrastructure that is inadequate to the task of meeting near term demand. That's why a number of energy infrastructure development projects—ranging from natural gas terminals to new transmission lines—have been proposed for our region.

However, too many participants in the energy debate seem to have leapt to an incorrect—and dangerous—conclusion that we can afford to block, delay and otherwise interdict the development of this needed infrastructure as we wait for the promise of clean and green energy to become a reality without the necessary infrastructure.

The Job Keepers.

We are playing with the lives and livelihoods of our citizens when we allow this well intentioned but naïve view to dominate the energy debate. The truth is that we cannot wait 20 years for the promise of adequate renewable energy to be fulfilled without sacrificing tens of thousands of jobs and the health of our economy.

And so we come to Salem today to appeal to Governor Kulongoski to make the needs of today and the near term as much a part of his energy policy as is his vision for the renewable future.

Indeed, we believe that near term development of energy infrastructure is foundational to the achievement of the Governor's vision for our energy future. In particular, we believe that the use of clean natural gas can and should be the so-called blue bridge to our green energy future. We are calling on the Governor to direct the State's regulatory agencies to promptly process the permits to allow the natural gas projects to proceed to construction.

Sadly, and of great concern to business and labor, a vocal minority of our citizenry has created a false impression that short-term investment in energy infrastructure is mutually exclusive with protection of our environment and the safety of those who live and work near such projects.

That false impression, when it is injected into both the political and regulatory sectors of our community, has created a "do nothing now" scenario that, for reasons I stated earlier, represent a clear and present danger to our state's economy and job base.

Before I close, let's look at the energy dilemma from another absolutely here-and-now perspective. We all know that Oregon is suffering mightily in the current financial crisis and economic recession. And while we will wait and see what stimulus money Washington may throw our way, there is another larger, and likely more effective, stimulus that is at hand right here in our state.

The various infrastructure projects now under review, if approved, will unleash a powerful economic stimulus for our state in at least three ways:

First, a total of about a thousand good paying construction jobs will be created for several years as these projects are built, which are to be funded at no taxpayer expense by private capital. Permanent jobs will also be created operating and maintaining these new infrastructure projects.

Second, the billion dollar plus cost of these projects is certain to be a shot in the arm for all Oregon businesses...from retail to commercial to recreation and beyond.

Third, communities will gain new permanent and stable sources of tax revenue from these projects.

Today, not tomorrow, is the time for clarity and action. In the kits distributed is information on the demand picture I have described. At this point, I will ask the business and labor leaders with me today to lend their voices to this appeal.