

SOCEA STRATEGIC PLAN OUTLINE

The Counties of Southern Oregon are bound in a common economy and culture centered around the timber forest products sector.

In order to transform and revitalize the region, an assessment of the regional development process is critical. This assessment has three key elements:

- Collaboration. Public and private stakeholders who are committed to building collaboration. (The Who)
- Outcomes. These are the end game results of the collaboration. (The What)
- Process. This is the strategic process that enables and frames the outcomes. (The How)

Projects in rural areas often suffer from the obstacles of fragmentation and insularity. In order for projects to be successful and to promote innovation, these obstacles must be addressed, recognized and overcome. The effects of fragmentation are most acutely felt when individuals and organizations pursue their own agendas without regard to the broad goals of the region. Insularity occurs when new and engaging ways of viewing and learning about the global economy are not used and old outdated strategies are continuously recycled.

A competitive regional strategy is an evolving process that takes into account new economic realities relevant to Southern Oregon.

What Investments Hold Strong Potential for the Region?

Assessing five basic categories of strategic investment allows leaders to more accurately determine regional strengths, weaknesses and best opportunities for economic growth.

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Brainpower

Regional innovation and economic growth requires individuals with skills necessary to envision, implement, invest and continue business development. Assessing Southern Oregon's education level, workforce experience and skill level will provide a more accurate way to match future investments.

Innovation and Entrepreneurship Networks

Regional innovation and economic growth require entrepreneurs, developers, investors and business networks that connect ideas, projects and funding to make development opportunities a reality.

Quality, Connected Places

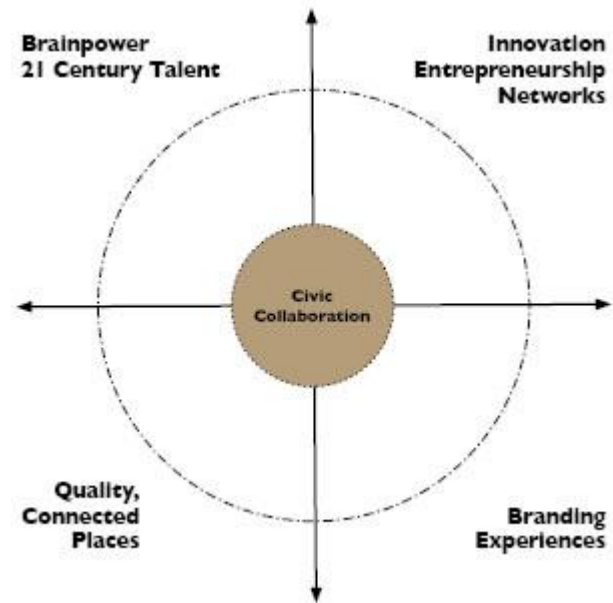
Regional innovation and economic growth require places that can provide a high quality of life. Skilled people and companies often site their projects based on quality of life characteristics.

Branding Experiences

Regional innovation and economic growth require branding that helps to differentiate the community from other areas. The message should be consistent and focused on the unique attributes the area provides to residents and businesses.

Civic Collaboration

Regional innovation and economic growth require active and invested partnerships from government, education, business and private sector stakeholders. Regional leaders who embrace collaboration will prove to be more competitive.



¹ Portions of this strategic plan are based upon and directly utilize the outline, graphs and some wording from the Council on Competiveness, 2005 report, "Measuring Regional Innovation."

REGIONAL ASSESSMENT

The Changing Nature of Innovation

Southern Oregon's key to understanding and implementing a regional economic strategy lies in embracing the changing nature of innovation, particularly in the energy sector. The National Innovation Initiative (NII) determined that innovation has become:

- **Faster:** Technological advances are continuing at a rapid pace. The challenge is determining which advances are most likely to have broad adoption rates and which to implement before the technology becomes obsolete.
- **Multidisciplinary:** The field of energy conservation and development increasingly involve a broad range of participants each with their own agenda and background.
- **Collaborative:** As demonstrated by the efforts of the Southern Oregon Clean Energy Alliance, collaboration, communication and cooperation are essential elements of developing economic innovation.
- **Democratized:** Energy development has increasingly grabbed the imagination and the pocket book of citizens. The effects and repercussions of energy policy have created a wide array of individuals, businesses and institutions with a wide range of knowledge
- **Global:** With technological advances, information can be exchanged at lightning speed. Innovative ideas and processes can be shared across vast geographic spaces more quickly than ever previously imagined. To remain competitive, it is important to approach economic and social challenges in new, innovative ways.

Proximity

The acceleration in the speed of information exchange and the ability to share knowledge over vast distances cannot replace interpersonal interactions. A common vision, sense of collaboration and the ability to share ideas through demonstration require a close proximity between partners/collaborators. Tackling complex regional issues is best accomplished when colleagues can interact and share ideas through personal interaction.

	Nearest Metro	Distance to PDX (car)	Distance to SFO (car)¹
Coos County	Eugene	4hrs 26min	8hrs 22min
Curry Country	Medford	6hrs 7min	7hrs 39min
Douglas County	Eugene	3hrs 14min	7hrs 25min
Josephine County	Medford	4hrs 24min	6hrs 17min
Klamath County	Medford	5hrs 19min	5hrs 57min
Lake County	Medford	6hrs 42min	7hrs 22min
Lane County	Eugene	2hrs 3min	8hrs 36min

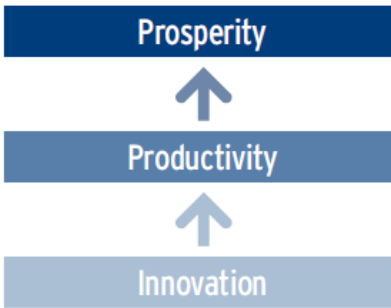
Diversification and Differentiation

Successful economic development across a diverse region requires exceptional diversification and differentiation. When a regional economy supports business development across broad ranges and types of industry and service sectors, it retains a competitive edge.

By developing policies that support innovative growth, a region can promote a viable advantage to business and industry considering locating in the area.

When regional leaders and stakeholders realistically assess the area's outlook and potential, from an understanding of both strengths and limitations, they are better able to drive future growth that reinforces diverse economic development, goals and objectives.

¹ Google Maps. Accessed July 08, 2011. <http://maps.google.com/maps>



Regions that embrace innovation and productivity as the foundation of economic development strategy are the most successful.

Prosperity: Goal of Economic Development

When considering which opportunities to pursue for regional economic development, looking for the prospects that have the greatest potential for measurable, substantial, positive impact on community members is key.

	Per Capita Income (PCI) (in last 12 mo.)	Median Household Income (MHI)	Poverty (percent below poverty level) ¹	Unemployment ²
SOCEA REGION				
Oregon	\$25,893	\$48,325	14.3%	9.1%
Coos County	\$21,680	\$35,562	19.1%	11.1%
Curry County	\$23,556	\$35,427	15.5%	11.2%
Douglas County	\$21,175	\$38,887	16.6%	12.8%
Josephine County	\$21,256	\$35,509	20.4%	12.1%
Klamath County	\$21,770	\$39,057	20.2%	11.8%
Lake County	\$19,817	\$35,303	18.5%	12.2%
Lane County	\$23,256	\$40,363	17.2%	9.2%

Productivity and Regional Prosperity

The regional economy and productivity determines the standard of living for area residents. “Productivity is a measure of the value of goods and services produced per unit of labor and capital employed in creating the good. Put simply, it measures output per unit of input. The rate of productivity growth sets the wage level that can be sustained and the returns earned by investors, which are the two principal components of a region’s per capita income.”³

Productivity is directly linked to prosperity. A thriving economy relies on the continued creation of high value products and services. The goal of regional economic development is to foster conditions that promote sustained productivity and growth.

Innovation and Productivity Growth

The key to growing the standard of living in Southern Oregon is to increase regional productivity. Productivity and innovation are directly related to the ability of a region to remain competitive in the new global economy. Innovation is companies realizing and implementing new cost reductions, technology that reduces operating costs, and growing revenue through new products and innovative services. Innovation not only relies upon smart, savvy ideas but regional knowledge, assets and networks that have the capacity and imagination to see the “everyday” in a new a light.

¹ United States. Census of Population and Housing. U.S. Bureau of the Census. U.S. Census Bureau. <http://quickfacts.census.gov/qfd/states/41/41039.html>

² United States. Census of Population and Housing. U.S. Bureau of the Census. U.S. Census Bureau. <http://quickfacts.census.gov/qfd/states/41/41039.html>

³ Council on Competiveness, 2005 report, “Measuring Regional Innovation.”

Inputs to Innovation Capacity

The ability to implement a fundamental change to the Southern Oregon economy and shift regional investment towards clean energy development is determined by the capacity to support innovation. The regional assets, networks and culture are indicative of the region's ability to increase production and prosperity.



Assets

The capital needed to develop a clean energy economy in Southern Oregon include human, intellectual, financial, physical and institutional. These critical components determine the availability and quality of the workforce, effectiveness of the transportation network, cost of business and availability of customers.

Human Capital

One of the most important components to regional development is workforce quality and availability. Southern Oregon needs to be able to both retain and attract capable and experienced workers who have the skills to develop and maintain a variety of clean energy projects.

Energy developers and corporations are siting projects where there is a steady and plentiful supply of workers. In rural areas, these developers are looking to the community colleges to ensure that their program areas are made available. For example, Mt. Hood Community College has reflected the need of the local wind industry with a wind certification program.

The quality of the local school system plays an important role in not only readying local talent for the clean energy sector but also works to attract outside workers who place a high priority on the quality of their own children's education.

Selected Social Characteristics

	Total population	% of residents 18+	% of residents 65+ ¹	Unemployment Rate ²
Oregon	3,831,074	77.2	13.5	9.1%
Coos County	63,043	80.9	21.2	11.1%
Curry Country	22,364	84.2	27.9	11.2%
Douglas County	107,667	79.1	21.0	12.8%
Josephine County	82,713	79.5	21.7	12.1%
Klamath County	66,380	76.9	16.4	11.8%
Lake County	7,895	79.4	20.9	12.2%

¹ United States. Census of Population and Housing. U.S. Bureau of the Census. *U.S. Census Bureau*. Accessed July 07, 2011. <http://quickfacts.census.gov/qfd/states/41/41011.html>

² United States. Census of Population and Housing. U.S. Bureau of the Census. *U.S. Census Bureau*. Accessed July 07, 2011. <http://quickfacts.census.gov/qfd/states/41/41039.html>

Lane County	351,715	80.1	14.5	9.2%
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Educational Attainment: Percent population 25 years and over¹

	Not a High school graduate.	High school diploma	Associates Degree	Bachelors Degree	Advanced Degree
Oregon	18.5%	28.9%	6.9%	13.6%	6.9%
Coos County	24.5%	32.7%	6.9%	8.4%	3.9%
Curry County	21.9%	36.1%	5.9%	8.8%	3.9%
Douglas County	25.5%	34.6%	6.7%	7.9%	3.8%
Josephine County	24.7%	33.8%	5.8%	7.9%	4.1%
Klamath County	23.8%	34.5%	7.1%	8.5%	3.9%
Lake County	25.0%	36.1%	6.1%	11.5%	2.9%

Research and Development Institutions

The SOCEA region’s ability to promote and facilitate research and development is a critical component to creating a clean energy economy that maintains innovation and remains “cutting edge.” The resources available at OSU, O of U and OIT will help to encourage private investment. Examples of existing successes are the partnerships between Douglas County and OSU to begin wave energy development and the partnership between OIT and Lake and Klamath Counties to develop geothermal energy development. These research institutions have the ability to partner with private investment firms to conduct government funded research projects that can then be realized and developed in the SOCEA counties.

Financial Capital

Tying into existing venture capital firms will provide the SOCEA region additional resources to help develop and attract clean energy projects. A handful of firms in the Northwest actively seek to invest their funds in projects that promise new and innovative ways of creating and transporting energy. Many of these firms desire projects with a strong “green” component and a long term return on their investment.

Existing corporations already sited in the SOCEA counties are also a good prospect for investing financial capital into clean energy development. The traditional wood products industry players may be looking at innovative ways to diversify their holdings.

VC FIRMS IN PORTLAND AREA²

Angel Oregon	Oregon Investment Fund
Capybara Ventures	Oregon Life Sciences LLC
Empire Ventures	Pivotal Investment Fund
Equilibrium Capital Group	Pivotal Investments
Marquam Hill Capital	Portland Angel Network
Mount Hood Equity Partners	SmartForest Ventures

¹ United States. Census of Population and Housing. U.S. Bureau of the Census. *U.S. Census Bureau*. Accessed July 07, 2011.

http://ezproxy.wou.edu:2715/servlet/QTTable? bm=n& lang=en&qr name=DEC_1990_STF3_DP2&ds name=DEC_1990_STF3 &geo id=05000US41011.

² <http://www.nwinnovation.com/vc.php> The Northwest Innovation Venture Database is a searchable database of Pacific Northwest venture deals, companies, and venture capitalists.

Resource Base

Understanding a region's most valuable resources is important for regional economic development. Realistically assessing the challenges, including policy, transportation and cost of development, is critical when looking at an overall strategy for economic growth.

DISTRIBUTORS

Physical Infrastructure

The SOCEA region's physical infrastructure is a critical part of determining the potential success and challenges for clean energy development. Transportation of workers and materials, existing electrical transmission lines, access to water, availability and proximity of natural gas and broadband/fiber connectivity are essential elements in attracting and growing a clean energy project.

Due to the rural nature of the SOCEA counties, careful assessment and planning should be developed to address each of these needs. These infrastructure components rely on many private, local, State and Federal agencies. It is the role of SOCEA to communicate the needs of local project development to ensure that these critical infrastructure points act to promote and not distract development

COMMERCIAL PORTS

SOCEA Region

Coos County

International Port of Coos Bay

Jeff Bishop, General Manager
125 Central Ave, Ste 300
PO Box 1215
Coos Bay, OR 97420
Telephone: 541-267-7678
Web: <http://www.portofcoosbay.com/>

Port of Coquille River

Gordy Hayes, President
170 River Rd
PO Box 640
Myrtle Point, OR 97458
Telephone: 541-572-2626

Curry County

Port of Brookings Harbor

Ted Fitzgerald, Executive Director
16408 Lower Harbor Rd
PO Box 848
Brookings, OR 97415
Telephone: 541-469-2218
Web: <http://www.port-brookings-harbor.org/>
Email: info@port-brookings-harbor.org

Port of Port Orford

Gary Anderson, Port Manager
300 Dock Rd
PO Box 490
Port Orford, OR 97465
Telephone: 541-332-7121
Fax: 541-332-7121

Port of Bandon

Gina Dearth, Port Director
390 Frist St SW
PO Box 206
Bandon, OR 97411
Telephone: 541-347-3206
Web: <http://www.portofbandon.com/>
Email: port@portofbandon.com

Port of Gold Beach

Errol Roberts, General Manager
29891 Harbor Way
PO Box 1126
Gold Beach, OR 97444
Telephone: 541-247-6269
Email: portgb@wave.net

Web: <http://portofportorford.com/>

Email: portoffice@harborside.com

Douglas County

Port of Umpqua

Charmaine Vitek, Port Manager

392 Fir Ave #108

PO Box 388

Reedsport, OR 97467

Telephone: 541-271-2232

Web: <http://www.portofumpqua.com/>

Email: portofumpqua@charterinternet.com

Josephine County

N/A

Klamath County

N/A

Lake County

N/A

Lane County

Port of Siuslaw

Mark Freeman, Port Manager

1499 Bay St

PO Box 1220

Florence, OR 97439

Telephone: 541-997-3426

Fax: 541-997-9407

Web: <http://www.portofsiuslaw.com/>

Legal and Regulatory Environment

For the SOCEA region, the legal and regulatory environment plays an important role in determining the viability of future clean energy projects. The land use regulations, local zoning and restrictions on Federal timberlands are key areas that have been identified as a high priority by County Commissioners.

Quality of Life

People have many different ideas about what represents a good quality of life. Most would consider any one of the following: crime rate, schools, cost of living, proximity to natural areas or cultural enrichment opportunities. In order to attract and retain the desired corporate, entrepreneurial and individual skilled worker investment to a region, the importance of basic quality of life considerations must be recognized. A region must provide the opportunities that nurture the creative innovation it hopes to draw.

In order to lure and maintain interest in innovative regional investment, SOCEA must address challenges to desired economic transformation. These challenges may include community perception, policy and long held "business as usual" notions. There may be competing ideas about what constitutes quality of life within the region. It is important to work to build consensus and a strong sense of collaboration through compromise across different opinions. SOCEA, through the goal setting process, has recognized the importance of building partnerships with a diverse group of stakeholders.

AIR QUALITY

Air Quality Index Health Category Descriptors:

Good 0-50: No health impacts expected

Moderate 51-100: Unusually sensitive people should consider reducing prolonged or heavy outdoor exertion.

Unhealthy for Sensitive Groups (USG) 101-150: People with heart disease, respiratory disease (such as asthma), older adults, and children should reduce prolonged or heavy exertion. Active healthy adults should also limit prolonged outdoor exertion.

Unhealthy 151-200: People with heart disease, respiratory disease (such as asthma), older adults, and children should avoid prolonged or heavy outdoor exertion. Everyone else should reduce prolonged or heavy outdoor exertion.

Very Unhealthy (Alert) 201-300: People with heart disease, respiratory disease (such as asthma), older adults, and children should avoid all physical activity outdoors. Everyone else should avoid prolonged or heavy exertion.

The 2009 AQI days in the different health categories¹

County	Good	Moderate	USG	Unhealthy	Missing	Total
Douglas	336	25	0	0	4	365
Lake	294	47	16	4	4	365
Lane	317	41	6	1	0	365

Networks

Regional innovation must be connected to the appropriate regional assets. How to identify the resources within the region presents a grand challenge. For innovative ideas to realize their potential, they must be connected to the people who can drive them to implementation. By working cooperatively with each representative, bringing their communities best ideas and input to the table, SOCEA is well positioned to access a range of innovative opportunities that would not be available otherwise. Many successful regions have long histories of developing effective partnerships through collaborative organizations. SOCEA has partnered with many stakeholders to form a collaborative process unlike any other in Oregon.

Culture

Regional viewpoints frame the local appetite for risk and innovation. In order for innovation and entrepreneurship to gain a foothold in the region, inventive and imaginative thinking must be encouraged. Regions that welcome innovation are open and receptive to change. Risk taking does not mean jumping at each new idea blindly. It also does not imply searching for funding for every opportunity that sounds interesting to see "what sticks". Preparation and knowledge prepare a region to welcome innovative thinkers with original, sound ways of looking at both old and new challenges.

A region must decide what values it holds dear as it looks to attract genuinely inventive investment. Desiring change is not enough. Looking at moving away from the ingrained, institutional way things have always been done is a key to success. While expecting the change desired to fit into a business as usual box will likely end in process breakdown, it is important to consider whether the region will welcome and even reward the diversity of ideas, the innovation that comes in a non-traditional package, the unexpected or ingenious creativity applied to local challenges.

Recent studies by the National Commission on Entrepreneurship and Richard Florida suggest that regions that value racial and cultural diversity may offer greater support for innovation than those that do not. True innovators often operate beyond the norm and, therefore, regions that admire inventive thinking and welcome diversity may be more nurturing to innovators.

Even with careful, sensible planning and implementation, some potential projects do not prove feasible. Many options may need to be explored to find the successful mix for economic development triumph. It is important to recognize when a current path has ended and a new one must be found. Failure along one pathway is only the door opening to the next innovative opportunity.

¹ <http://www.deq.state.or.us/aq/forms/annrpt.htm>
<http://www.deq.state.or.us/aq/forms/2009AnnualReport.pdf>

COLLABORATION (the Who)

The Southern Oregon Clean Energy Solutions (SOCEA) group is a cooperative project of Lane, Douglas, Coos, Curry, Klamath and Lake Counties. Oregon Solutions and the Association of Oregon Counties (AOC) provides facilitation and staff time to help support the development

OREGON SOLUTIONS <http://www.orsolutions.org/> Oregon Solutions is funded through the Oregon Governor's Office and administered through Portland State University. The emphasis is on projects that help develop rural economies. The SOCEA project represents the group's efforts in Southern Oregon.



SOUTHERN OREGON CLEAN ENERGY ALLIANCE
<http://www.orsolutions.org/southwest/southernrenewable.htm>
(This site includes all the organizational documents.)

ASSOCIATION OF OREGON COUNTIES <http://www.aocweb.org> Meetings for the SOCEA project have been facilitated through AOC meetings and membership conventions.

The Association of Oregon Counties (AOC) has been in existence for more than a century. Organized in 1906, AOC was formed to provide a forum for information sharing and consensus development.

Early Oregon county governments were very limited in the services they provided. Their primary responsibilities were forest and farm-to-market roads, law enforcement, courts, care for the needy and tax collections. Today, counties face a far more complex task because of the increasing demands of a growing population and diverse society.

Contemporary county government is involved in a wide range of important public services in addition to the traditional services. Today, county government responsibilities include public health, mental health, community corrections, juvenile services, criminal prosecution, hospitals, nursing homes, airports, parks, libraries, land-use planning, building regulations, refuse disposal, elections, air-pollution control, veterans services, economic development, urban renewal, public housing, county fairs, museums, animal control, civil defense, senior services and many others.

AOC is dedicated to improving the ability of county government to serve Oregonians. Working with counties, other local government associations and county affiliate and associate organizations, AOC advocates and coordinates on behalf of counties with the state legislature, state agencies, Congress and federal agencies. AOC staff members have many years of history and experience working with and for county government and have established relationships with decision makers at all levels of government.¹

RESOURCE CONSULTANTS Resource Consultants was contracted by Oregon Solutions and AOC to help facilitate the SOCEA strategic plan. Each county commissioner has been interviewed and given feedback on their vision for the plan. The conference details were managed by Resource Consultants.

Resource Consultants is a small niche firm that specializes in rural energy and economic development projects. Our team has written over \$8m in grants for rural governments and small businesses. Our current contracts include outreach/education projects for Pacific Power, Energy Trust of Oregon and Oregon Association of Nurseries. The forum, scheduled for May 12-13, is the final step in creating a strategic plan for green/clean energy for the five member counties. This forum will help these counties follow a roadmap toward creating jobs in their own unique economic regions. The counties have expressed the greatest interest in biomass, solar and wave energy. The grant programs offered through the DOC EDA are of unique interest to the SOCEA members. The county commissioners are looking for ways to help propel their projects from feasibility studies to completion. Local

¹ www.aocweb.org "Guide to Oregon Counties 2011-2012"

governments are often isolated in lack of information of available federal funding. This is a great opportunity to reach the decision makers in Southern Oregon.

STRATEGIC OUTCOMES (the What)

The SOCEA members held a three-day strategic planning session to learn about potential opportunities for clean energy, economic development projects within the region. Stakeholders from Oregon Department of Energy, South Coast Development Council, Energy Trust of Oregon, United States Department of Agriculture, Southern Oregon Federal Credit Union and Pacific Power presented on funding opportunities and vision for the future. These participants were also active during discussions and in fielding questions from County Commissioners.

TOPIC: Geothermal Presenter: Energy Trust of Oregon

SPECIAL NOTE: Mapping resource for geothermal hotspots (high and low temps) is available through DOGAMI and OIT.

SUCCESS: Lake County geothermal projects.

UTILITY SCALE GEOTHERMAL (5MW and up, High Temp)

Challenges

- Permitting requirements can be onerous. Often require land use changes.
- Grid capacity for generation projects.
- Environmental groups can be uncooperative.
- Projects may affect local water usage.
- Drilling is often required in multiple sites to find an optimum location. This contributes to a high financial risk.
- The timeline for a project often exceeds the investment required by investors and developers.
- There is a potential scarcity of resources as additional sites limit local resources.
- Sites are often associated with and can cause earthquakes. This is a concern for local land owners and investors.

BENEFITS

- Additional tax revenue.
- Site construction creates jobs.
- Site operations create long term employment and economic development.

COMMUNITY SCALE GEOTHERMAL (1.5 MW, Low Temp)

There is often more community involvement with these types of sites with local contractors and developers. The overall benefits and challenges are similar in scope.

SMALL SCALE (1MW and under)

Challenges

The economics for these smaller low-temp projects makes them much more difficult to complete.

SOCEA'S SUGGESTED ROLE IN GEOTHERMAL

- Permitting and land use laws can be changed to make geothermal projects more attractive to private developers. Developers can be brought in and can establish partnerships with existing environmental groups. These steps will help ensure successful future projects.
- Partner with multiple Counties to invest in a single project. These County partners would then share in the risk and potential profit from the site. This has been successfully modeled in Idaho. This model also increases the potential for grant funding to help offset project costs. Eastern Oregon Counties have worked together on a wind farm complex and have increased County revenue and local jobs.
- Counties could do site assessments on potential locations for ground source heat pumps. Training for installation of heat pumps could be modeled after a program in Lake County. Counties can also take steps to encourage new construction sites to use ground source heat pumps.

TOPIC: Wave **Presenter: Oregon Department of Energy**

SUCCESS: Douglas County is working with OSU engineers on a 3MW low-impact demonstration project.

RESOURCE: Business Oregon has a new portal for finding suppliers and local businesses.

<http://www.oregon4biz.com/Grow-Your-Business/Business-services/Find-Oregon-Suppliers/NWConnectory/>

Job Creation = Local Support

CHALLENGES

- Fishing and crabbing industries may be affected by many unknown factors.
- Impact studies may be unable to predict the effects of wave technologies on the 10yr ocean cycle.
- Transmission constraints.

SOLUTIONS

- Placement for projects can be outside of known fishing areas. Working with local environmental groups and stakeholders can result in compromises that still allow projects to move forward.

KEYS TO SUCCESS

- Transparent process with the public.
- Show benefits to each stakeholder group.
- Show impacts of not moving forward with project.
- Lessons from logging industry can be applied to these new resources.
- Manage expectations with both short and long term benefits.
- Work with OSU on testing and demonstrations.

TOPIC: HYDRO **Presenter: Energy Trust of Oregon**

NOTE: Not all Federal Government agencies consider hydroelectric generation to be a renewable energy.

Energy Trust has a study which lists potential spots for 30MW hydro installations.

SUCCESS: Wallowa County has over 22 sites generating at local ranches.

CHALLENGES:

- Permitting can be difficult. FERC is in the process of reducing the cost and speeding of up the application/approval process for small sites.
- \$7,000 - \$20,000 in permitting for sites.
- Size of project does not determine the potential environmental impact.

Energy Trust of Oregon offers assistance with cash incentives, feasibility studies and project management. Economic development opportunities include manufacturing jobs for piping and turbines.

TOPIC: SOLAR **Presenter: Energy Trust of Oregon**

BENEFITS:

- Installation is quick and easily scalable.
- Net metering offers a distinct advantage to installation in Oregon.
- Panels have a warranty of 25-30 years.
- Solar installations are easier to calculate return-on-investment over other renewable energy sources.

CHALLENGES:

- Developers (investors)
 - Liability stays with the government entity.
 - Additional expenses may be incurred if the roof of the existing facility may need to be upgraded.

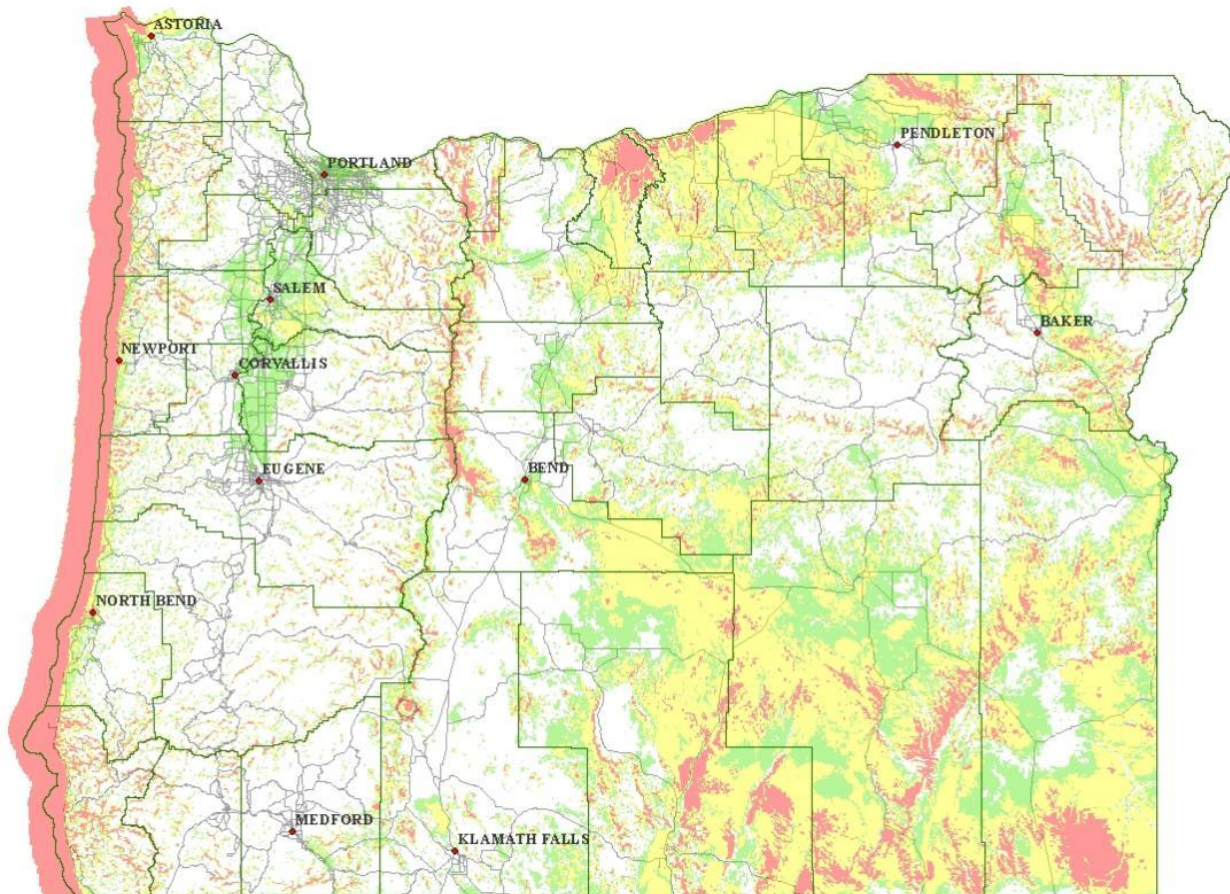
TOPIC: WIND **Presenter: Energy Trust of Oregon**

BENEFITS:

- Installation is quick and easily scalable.
- Net metering offers a distinct advantage to installation in Oregon.
- Newer turbines are of good quality with fewer maintenance issues than previous equipment.
- Return on investment is more easily calculated with the more accurate wind data that is now available.

CHALLENGES:

- Developers (investors)
 - Liability stays with the government entity.
 - Site selection is difficult with many current maps. Wind resource varies on the same site.



TOPIC: BIOMASS **Presenter: Oregon Department of Energy and East Fork Consulting**

BENEFITS:

- Higher value use of slash.
- SOCEA region is ripe with potential feedstock.
- ODOE is supportive of biomass development.
- Technical assistance, incentives, credits and grants may be available for development and research.
- Traditionally a very wood-product centric region.

CHALLENGES:

- Developers (investors)
 - Reliable feedstock availability
 - Federal forest policy
 - Transportation costs

STRATEGIC OUTCOMES (the How)

County Commissioners and stakeholders decided on a variety of short-term, midterm and long-term priorities.

	Priorities	Project	Policy	Partnership
Short Range (0-2 yrs)	Regional Solarize	X		X
	Energy Efficiency Financing (Commercial and Residential)	X	X	X
	Preliminary Siting Assessment (Distribution lines –Waste)	X	X	X
	Identify County Specific Projects	X	X	X
	Forest Health and Biomass Utilization Opportunities	X	X	X
Mid-Range (2-5 yrs)	Stakeholder Partnerships (Environmental Entities/Groups, Utility, Funders, Policy)			X
	Incentives and Tax Credit Policy		X	X
	Wave Energy Development (<i>resource demonstrations</i>)			X
	Forest Health and Biomass Utilization Opportunities	X	X	X
Long Range (5+ yrs)	Forest Health and Biomass Utilization Opportunities	X	X	X
	Micro Grid Opportunities, Assessment, Economics	X	X	X

REGIONAL SOLARIZE

Short Range Priority

A regional solarize program would benefit the region by immediately creating jobs within the solar installation industry. A successful solarize program would bring residential customers together to form a single buying group for all of their installations. This gives the home owner the advantage of being able to negotiate installations based upon large scale projects. Installers benefit from the ability to buy their materials in larger quantities from suppliers at a reduced rate. Successful pilots have been completed in Portland, Oregon and are being replicated in large communities throughout the state.¹

FOREST HEALTH AND BIOMASS UTILIZATION OPPORTUNITIES

Short Range Priority

A key overall goal is the promotion of forest health and biomass utilization. The SOCEA counties are bound in history as each heavily relying upon forest resources to support the local communities. With the policy changes in forest management and extraction in the 1980's, these Counties suffered long-term unemployment and outward migration of their skilled workers.

A short range goal is to look at opportunities to mitigate issues around transportation costs for moving raw material to processing. Options for innovative solutions may require study that could be completed within short range timeline.

SOCEA members plan to consistently and cooperatively push for policy changes that will allow better use of the biomass material in local forests to be used in energy generation.

SOCEA will work to create opportunities for job growth in this sector that will help revitalize these logging communities.

ENERGY EFFICIENCY FINANCING

Short Range Priority

A variety of energy efficiency financing programs are in the process of being launched in Southern Oregon. Clean Energy Works Oregon is based upon the successes of Clean Energy Works Portland. This innovative program will provide on-bill financing for residential and commercial energy efficiency projects. SOCEA will work to promote this program. This

¹ Solarize Portland www.solarizeportland.org

lending initiative will help to create jobs in the construction field where unemployment rates are among the highest. Energy efficiency projects also help to reduce the financial stress on communities where families are struggling to pay rising utility costs.

PRELIMINARY SITING ASSESSMENT

Short Range Priority

A preliminary siting assessment is a critical component to helping the region attract outside investors in investing in utility scale, energy generation projects. A regional assessment will discover areas where the existing infrastructure has capacity to accommodate additional load. The information will be gathered and assessed using the resources and expertise of the Pacific Power Corporation and the local electric cooperatives.

IDENTIFY COUNTY SPECIFIC PROJECTS

Short Range Priority

Each county within SOCEA will have their own unique projects. The implementation of these specific projects and subsequent successes will be an important source of information for their other participating counties. The rural nature of the SOCEA region means that development projects of this nature are more infrequent than those in the Willamette Valley. Counties will be able to share information and learn from success and challenges.

FOREST HEALTH AND BIOMASS UTILIZATION OPPORTUNITIES

Mid- Range Priority

A key overall goal is the promotion of forest health and biomass utilization. The SOCEA counties are bound in history as each heavily relying upon forest resources to support the local communities. With the policy changes in forest management and extraction in the 1980's, these Counties suffered long-term unemployment and outward migration of their skilled workers.

In the mid-range timeline, partnerships with key stakeholders will be strengthened, pre-planning will be finalized and expanded to a more strategic positioning phase, current projects will be assessed and project funding and implementation will be considered.

SOCEA members plan to consistently and cooperatively push for policy changes that will allow better use of the biomass material in local forests to be used in energy generation. SOCEA will work to create opportunities for job growth in this sector that will help revitalize these logging communities.

DEVELOP STAKEHOLDER PARTNERSHIPS

Mid-Range Priority

SOCEA will work to develop strong relationship with regional stakeholders. Focus will be on utility companies, local, State and Federal units of government and local interest groups. Determining the challenges and benefits of proposed projects to each of these groups will help enable a greater chance at collaboration and compromise.

SOCEA will work to ensure that communities are provided an opportunity to comment on projects and to be a part of the planning process. Valuable time, money and energy can be spent on pushing forward projects that are stalled at the end by stakeholders not participating in the planning process.

INCENTIVES AND TAX CREDIT POLICY

Mid-Range Priority

SOCEA will attractively promote incentives and tax credits for energy efficiency and renewable energy in small, medium and utility scale projects. Without investment from the utilities and government, these projects are unlikely to occur in rural Oregon. AOC and SOCEA will actively work with State and Federal agencies and politicians to ensure that the concerns and needs of the communities in Southern Oregon are heard and understood.

WAVE ENERGY DEVELOPMENT

Mid-Range Priority

SOCEA will promote and develop wave energy development. Information on innovation and available financing options will be shared within the SOCEA membership. The wave resource is available in Douglas, Coos and Curry Counties but all SOCEA members may be interested in investing in a potential project. Additionally, manufacturing jobs for the machinery has the potential to be sited in any of the SOCEA counties.

FOREST HEALTH AND BIOMASS UTILIZATION OPPORTUNITIES

Long Range Priority

A key long range goal is the promotion of forest health and biomass utilization. The SOCEA counties are bound in history as each heavily relying upon forest resources to support the local communities. With the policy changes in forest management and extraction in the 1980's, these Counties suffered long-term unemployment and outward migration of their skilled workers.

SOCEA members plan to consistently and cooperatively push for policy changes that will allow better use of the biomass material in local forests to be used in energy generation. SOCEA will work to create opportunities for job growth in this sector that will help revitalize these logging communities.

MICRO GRID OPPORTUNITIES, ASSESSMENT, ECONOMICS

Long Range Priority

Initial review of where, when and how micro grid opportunities may make sense within the region.