

To: Co-Chair Sollman; Co-Chair Bynum; Vice Co-Chair Knopp; Vice Co-Chair Wallan; Members of Joint Committee on Semiconductors

From: Tracy Rainey, Clean Water Services (raineyt@cleanwaterservices.org)

Date: March 10, 2023

RE: SB 4 - Wastewater Infrastructure Capacity Needs Associated with Industrial Site Readiness

Clean Water Services is a water resource management utility that provides wastewater, stormwater and water resource recovery services to more than 600,000 residents and businesses in urban Washington County including the cities of Banks, Beaverton, Cornelius, Durham, Forest Grove, Gaston, Hillsboro, King City, North Plains, Sherwood, Tigard and Tualatin.

The wastewater and stormwater infrastructure and services we provide are a central component of industrial site readiness and are critical to supporting economic development and community livability.

We are writing in support of the work of the Joint Semi-Conductor Committee. As it relates specifically to SB 4, and future work of this committee and the state, we encourage the committee to consider the following:

- Partnering with water infrastructure utility providers, including wastewater providers, to ensure available capacity to support growing industrial needs.
 - We are asking the state to partner with us as we engage in planning, design, and ultimately construction of necessary infrastructure capacity upgrades. Those upgrades will likely include infrastructure directly serving specific sites (e.g. pipelines and pump stations) as well as system capacity to accommodate increased flows (e.g. treatment plant capacity, systemwide conveyance and pump stations throughout the system that may need to be upsized due to increases in flows).
- Making strategic investments to ensure the timely delivery of additional infrastructure capacity associated with industrial expansion sites.
 - As a local government utility that is funded primarily through rates (sewer and stormwater rates as well as system development charges), we are not in a financial position to take on financial risk to extend infrastructure to potential sites in order to promote site readiness. We are fully committed and able to expand the infrastructure, but the financing of that infrastructure should not be done through ratepayer revenues. While we would anticipate collection of system development charges associated with new industrial customers; waiting for the payment of system development charges in order to fund necessary infrastructure expansion means we may not be able to deliver additional capacity in the timeframe that SB 4 outlines. We urge the state to work with us on a strategic investment to expedite the expansion and upsizing of infrastructure necessary to ensure that potential sites are ready for development.

Many people may not be aware or may not recall that in 1969 Washington County was placed under a building moratorium due to a lack of adequate sanitary sewer infrastructure. In 1970, our agency was created by a vote of the people and we were funded through a massive local, state and federal investment in regional water infrastructure that not only lifted that building moratorium, but also opened up significant economic opportunities for the region.

The availability of a highly effective and reliable regional sanitary sewer system was a critical factor in Washington County's ability to attract investment from a growing semi-conductor industry nearly 50 years ago. It is still a critical factor today and we stand ready to partner with cities, the industry and the state as we look toward additional opportunities for economic growth.

Over the course of the past 50 years, our agency has had a strong history of working in close partnership with Washington County cities, with the community at-large, and with the semi-conductor industry to ensure that we ready to meet current and future infrastructure needs to ensure the economic success of our region and protect health and the environment.

Due to the sensitive nature of the Tualatin River, we operate under some of the nation's most stringent water quality standards. In order to plan for and meet these standards, it is critical we are engaged in early conversations and planning work to ensure the availability of necessary infrastructure to support future growth. The need for careful planning extends beyond just the pipelines that are necessary to carry water from key industrial facilities to our wastewater treatment plants. We also must evaluate the capacity of those treatment plants to ensure that we plan for and invest in the upgrades and expansions necessary to accommodate the increased flows we receive.

We are currently engaged in comprehensive basin-scale planning efforts with our city partners that will inform our future infrastructure investments. This planning work is necessary to ensure that we are prepared to accommodate the growth and increased demand for the services we provide. We can't stress enough the level of careful and thoughtful planning that is required to ensure we are able to extend necessary infrastructure and build the capacity that is required to serve a growing population and to support economic development opportunities. This planning and the provision of necessary infrastructure to support growth takes time and it takes considerable investment.

We very much support the work of this committee, and the efforts of our federal delegation, the state and key partners to attract additional investment here in Oregon. We ask that we be included and considered in future conversations in order to ensure that the necessary infrastructure investments are being incorporated into potential expansion plans.

Thank you for your consideration.