



May 23, 2016

To Whom It May Concern:

This letter expresses support of the Newberry Geothermal Energy team (OSU, Pacific Northwest National Lab, AltaRock Energy Inc., Stat Oil, and GE) to conduct activities for Phase II and III of the Frontier Observatory for Research in Geothermal Energy (FORGE) on the Newberry Volcano area in Central Oregon.

The prospect of developing, constructing and operating a commercial scale electric power production at that site using geothermal technology would be a boost to our local economy. As a member of the Economic Development for Central Oregon (EDCO), Midstate Electric is committed to partnerships that ensure economic development, more jobs and a brighter future for our communities.

Renewable energy has been in the forefront in the state of Oregon with abundant hydropower and new developments in wind and solar. With more states adopting higher Renewable Energy Proposals, base load generation must not be forgotten for grid stability. The addition of base load geothermal is a common sense approach as a new addition to the region's renewable generation portfolio. In addition, the Newberry Geothermal Project is located near some of the largest transmission lines in the country owned by the Bonneville Power Administration, making this area unique in that this major infrastructure is already in place.

Although we are remotely located from large metropolitan areas, there is extraordinarily high activity in high technology – software, electronics, renewable energy, pharmaceutical development and aerospace in Central Oregon. The diversity represented by these nearly 600 manufacturers and high technology companies would be an ideal support system to the FORGE Frontier Observatory. The Newberry Volcano is within a half hour to an hour drive of these companies and the talent and collective knowledge they possess.

Midstate Electric Cooperative recognizes the importance of continued development of new technologies for base load to add to the region's renewable generation portfolio. We believe the geothermal industry plays an important role in the Central Oregon region's economic development.

Please contact me if I can provide you with any further information.

Sincerely,

Dave Schneider  
General Manager