PAUL HOLVEY STATE REPRESENTITIVE

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STATE OF OREGON LEGISLATIVE ASSEMBLY

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Date: April 4th, 2019 To: House Committee on Energy and Environment

House Bill 2494 - Public Purpose Charge Extension

In 1999, Senate Bill 1149 established the Public Purpose Charge (PPC) by collecting a 3 percent charge on the retail electricity sales for investor owned utilities. The (PPC) is used to fund cost-effective energy conservation, the above-market costs of small-scale renewable energy resources such as the irrigation upgrades, weatherization aid and other energy assistance to low-income households and public schools.

These programs authorized and funded by the (PPC) have generated significant energy, health, economic and environmental benefits for Oregonians. According to one program administrator, Energy Trust of Oregon's programs have helped Portland General Electric and Pacific Power customers save and generate 796 average megawatts of electricity and offset 22.8 million tons of CO2e.

HB 2494 recognizes what low-income housing advocates, clean energy champions and commercial and industrial energy managers have known for years. Saving energy is good policy and has multiple benefits for Oregonians and our climate. And while much has been accomplished, there is still much more that needs to be done.

HB 2494 simply extend the Public Purpose Charge to 2036 providing more certainty for these important programs.

Despite the program is not sunsetting for 5 more years the Energy Trust of Oregon is already beginning their 5-year strategic planning process including a plan to phase out existing programs. Extending the sunset will provide a more certain future to best serve customers and most responsibly deploy resources. We also must send a strong message to industry (solar installers and residential efficiency contractors) that there is certainty in the market, especially at a time when the market seems less safe due to federal tax incentives going away and end of the RETC.

The successful efficiency, renewable energy and weatherization programs funded by the Public Purpose Charge must not be allowed to sunset prematurely, discarding the effective, functional energy efficiency tools the public purpose charge supports.

I urge your support of HB 2494.

Representative Paul Holvey Oregon House District 8