



Testimony
House Committee on Energy and Environment
April 7, 2021
Oregon Farm Bureau Concerns with HB 2021

Thank you for the opportunity to provide comments in response to HB 2021. As a reference, the Oregon Farm Bureau Federation (OFB) is the state's largest general agriculture association, representing nearly 6500 dues-paying members actively engaged in agriculture.

Oregon agriculture is committed to natural resources stewardship and sustainability. OFB members also support renewable energy policy, so long as it is economically viable (OFB Policy 12.300). That said, OFB is concerned that HB 2021, which would require 100% clean, non-emitting electricity by 2040, fails to address two important issues to our members: energy affordability and grid reliability.

OFB opposes any proposal that saddles ratepayers with higher electricity costs. Oregon families are struggling as a result of the COVID-19 pandemic, devastating 2020 wildfires and 2021 ice storms. This is particularly true for farm and ranch families, who face four years of low prices and market disruptions due to trade disputes as well as damage due to recent natural disasters. However, unlike other businesses, those in agriculture cannot increase the sale price of their commodities in order to account for increases in the cost of inputs, like energy. We are concerned that HB 2021 lacks adequate protections for ratepayers and urge the Committee to ensure that the costs of HB 2021 are not borne by Oregon's farm and ranch families.

OFB is also concerned about the impacts of HB 2021 to grid reliability, as reliability is important for irrigation, climate-controlled storage, and the timely production of crops. The 2021 ice storms illustrated the importance of ensuring a resilient and reliable electric grid, as hundreds-of-thousands of Oregonians were left without power for several days or more. Requiring electricity providers to derive electricity from less reliable sources at a time when demand is increasing is a recipe for brownouts and rolling blackouts. We are concerned that customers of investor-owned utilities could experience issues with reliability without an adequate resource mix or off-ramps from this ambitious policy.

As a final point, we are concerned that HB 2021 puts in place aggressive goals that are not achievable. Oregon already has some of the most affordable and clean electricity in the country; the State also has passed several policies that support the transition to clean and renewable power. These policies should be given an opportunity to work before the Oregon legislature adopts such a significant new program. OFB urges the committee not to establish goals that are impossible to meet.

The ambitious goals in HB 2021 will be challenging to meet, particularly in a way that protects electric customers from unexpected rate hikes and ensures grid reliability. HB 2021 needs additional scrutiny to better understand the costs of this policy—in terms of rate impacts and grid reliability. Until that time, OFB urges you to vote "NO" on HB 2021.

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