



Oregon Citizens' Utility Board

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May 5, 2023

To: Chair Sollman, Vice-Chair Findley, and Members of the Senate Energy and Environment Committee

From: Jennifer Hill-Hart, Policy Manager, Oregon Citizens' Utility Board (CUB)

Re: CUB Supports HB 3143A with the -A2 amendment

The Oregon Citizens' Utility Board (CUB) is a nonprofit consumer advocacy organization developed by citizens' initiative in 1984. CUB represents the interests of Oregon households by advocating for utility regulations and policies that protect your wallet. To date we've saved Oregon ratepayers \$9.4 billion. CUB supports HB 3143A because it reduces costs to ratepayers.

Securitization can be a useful tool when emergencies happen because it is a better financing mechanism, which means lower impacts to ratepayer bills. It is a financial tool that can reduce utility debt with low-interest bonds secured by ratepayers – it allows utilities to offer long-term bonds to investors to pay off short-term debt. Basically, it provides an immediate source of cash for emergencies like extreme weather events and wildfire.

During the public hearing, CUB raised the issue that we did not believe it was necessary to amend language in the cost allocation section of HB 3143A, as proposed in -A2 (page 1, lines 5-7, amending HB 3143A Sec. 4(3)(d)(A)). CUB wanted to put on the record that we do not believe that particular language is necessary given the context of the rest of that section and the Commission's existing authority and established cost allocation practices. However, we do not find the language concerning because that amended language is permissive and would not overcome the language in the rest of that section that ensures any methodology used must be consistent with cost causation and rate design principles and statutory or regulatory requirements. We do not believe this language needs to be removed from the bill and as-is, HB 3143 with the -A2 amendment is good for ratepayers.

CUB believes it is very important for the bill to move forward. Considering increasingly frequent emergency events, including the ongoing risk of wildfire damage, securitization is an important financing tool to allow utilities to respond to these urgent situations at lower costs to customers. We urge the Committee to give HB 3143A with the -2A amendment a due pass. Thank you for your time and the opportunity to testify.