



February 8, 2024

Chair Sollman
Senate Committee on Energy and Environment
Oregon State Capitol
Salem, OR 97301

Re: Support for SB 1581

Chair Sollman and Members of the Committee,

With the passage of HB 2021 three years ago, Oregon is rapidly transitioning to clean, non-emitting electricity. While we need to build out renewable energy and transmission resources here in Oregon, we will also be greatly aided by participation in a regional electricity market. SB 1581 is a simple mandate requiring Investor Owned Utilities in Oregon to report on plans or preparations taken toward participating in a regional market.

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis. **We strongly support this measure.**

In its Regional Transmission Organization report submitted to the legislature in 2021, ODOE cited *"broad agreement among many stakeholders that building on current momentum to expand regionalization can help to achieve Oregon's climate policy goals."*

For their part, PGE and PacifiCorp have both recognized the importance of regional energy markets. In its inaugural Clean Energy Plan, PGE noted that *"participation in regional markets and partnerships that allow PGE to pool resources and source clean energy from across the West can increase reliability and lower costs for our customers."* And in PacifiCorp's Clean Energy Plan, the company references *"improved market cooperation across the West"* as important to serving customers with clean energy.

There is broad consensus that a regional market is necessary to achieve our ambitious clean energy targets. However, there are many factors to consider, including the governance structures of a market, whether a market will maintain clean energy resources on equal footing with other resources, and what the impacts could be on communities, the environment, and labor. SB 1581 is a reasonable first step in assessing these important considerations.

Additionally, it is critical that utilities consider joining **a single regional electricity market**. A single West-wide day-ahead market will deliver optimal benefits for Oregon and the region. In particular, this approach will optimize distribution of clean energy resources across a wider area, facilitate efficient resource sharing, and create cost efficiencies. In contradistinction, a dual-market structure could run counter to these interests by splitting the market.

Finally, we look forward to conversations about the governance structure of a prospective regional market and the importance of uplifting community, environmental, and labor interests.

For all these reasons, we urge your support for SB 1581.

Sincerely,

Joshua Basofin

Joshua Basofin
Clean Energy Policy Manager
Climate Solutions