

Senate Energy and Environment Committee Oregon State Capitol 900 Court St. NE Salem Oregon 97301

February 8, 2024

## RE: Oregon Clean Grid Collaborative joint testimony re: SB 1581-1

Dear Senator Sollman, Vice Chair Findley, and Members of the Committee,

On behalf of the Oregon Clean Grid Collaborative, the undersigned clean energy, environmental justice, and conservation organizations representing communities across the state respectfully submit the following testimony on SB 1581-1, the Regional Energy Market reporting bill.

Thanks to the 2021 legislature's adoption of the 100% Clean Energy for All law, Oregon's electricity grid is now on a path to transition to 100% clean, non-emitting sources over the next two decades. If done right, the transition to a clean electricity grid will serve as the clean energy backbone to power our buildings, transportation, and industries, revitalize local economies and create union-wage jobs in the clean energy sector, and improve health and affordability for communities across the state by reducing harmful climate and air pollution.

However, in order to realize these benefits, we must tackle pressing barriers head-on. Specifically, analysis shows that a fully integrated regional grid will be key to meeting the mandates established by Oregon's 100% clean electricity law. Our organizations are committed to ensuring the creation of a regional energy market that maximizes the power of the grid, equitably and affordably distributes energy resources with minimal environmental impacts, and supports meaningful job creation in Oregon and the region.

Conversations are progressing rapidly around the development of one or more regional markets in the West: the details around governance are being negotiated, the terms of the tariffs are being drafted, and the priorities of participants are being considered. Moreover, the sooner Oregon decision-makers, community leaders, and stakeholders can work together to identify our shared values, priorities, and outcomes through regional grid modernization and governance, the better positioned we will be to advocate and deliver benefits for Oregon.

Our organizations are committed to ensuring that ongoing energy market and regional transmission planning processes deliver meaningful benefits for Oregon customers, communities, and workers. Unfortunately, Oregon public interest representatives currently lack representation in key decision-making venues where regional market development is underway. Without adequate representation, transparency, and engagement from interested stakeholders and affected communities, the resulting energy market will be another regulated entity narrowly focused on prioritizing utility returns and shareholder profits.

To that end, SB 1581-1 is an important first step to help promote transparency around regional energy market conversations. By requiring large investor-owned utilities (e.g. PGE and Pacificorp) to report annually to the legislature on any activities, including any plans or preparations, that the utility has taken or is taking toward participating in a regional energy market, SB 1581-1 will help keep legislators informed as utilities consider decisions that affect customers and communities.

For these reasons, our organizations are pleased to support SB 1581-1, which will help promote transparency around regional governance and development forums. At the same time, we hope that future legislation would build on SB 1581 to better enable the legislature to gain insight and provide input to ensure the creation of an energy market effectively maximizes the power of the grid, equitably and affordably distributes clean energy resources with minimal environmental impacts, and supports meaningful job creation in the region.

Moving forward, we hope the legislature will stay attuned to questions including:

- How can a given regional energy market help achieve Oregon's 100% clean electricity goals? What are the key attributes of a successful energy market that should be prioritized?
- How should regional markets be governed? Who gets a decision-making seat at the table? What role do state regulators play in preserving authority over state energy issues?
- What states should be in the market with Oregon? What are the aligned principles Oregon shares with neighboring states that should be preserved and elevated in market development?
- How can Oregon ensure regional market benefits are realized by customers equitably? How can we ensure in-state job creation and workforce development opportunities as a result of regional market operation? How do we measure success?

Exploring these questions will enable decision-makers, community leaders, and stakeholders to work together to engage in energy market and regional transmission planning processes and

effectively advocate for outcomes that benefit Oregon customers and support the implementation of Oregon's clean energy mandates.

Thank you for your consideration,

Joshua Basofin *Clean Energy Policy Manager* **Climate Solutions** 

Carra Sahler Director and Staff Attorney Green Energy Institute at Lewis & Clark Law School

Nora Apter Senior Program Director, Climate **Oregon Environmental Council** 

Emily Griffith Oregon Policy Manager Renewable Northwest

Laura Tabor *Climate Action Director* **The Nature Conservancy in Oregon** 

Candace Avalos *Executive Director* **Verde**