Microgrid Resources Coalition – Oregon HB 2066 testimony house committee 02/06/25



Good morning, Chair Lively, Vice Chair Gamba, Vice Chair Bobby Levy, and members of the committee and Oregon legislature. Thank you for giving me the opportunity to testify today. My name is Allie Detrio and I am the senior advisor for the Microgrid Resources Coalition. The MRC is the original nonprofit association representing the national microgrid community, founded in 2013. Our members include microgrid developers, investors, end use customers, public agencies, nonprofit orgs and community partners. Our mission is to promote microgrids and their benefits through sound policies, regulations, tariffs and other market mechanisms that will enable efficient, cost-effective microgrid project development.

The MRC is proud to support HB 2066 to create a clear regulatory framework that enables the development, ownership and operation of customer and community microgrids in Oregon.

Microgrids are a critical tool for achieving energy resilience in communities, providing increased energy security to critical and essential services, local businesses and the general public, as well as enhancing grid stability to the broader electric system, to the benefit of all ratepayers. Importantly, they mitigate the risk and impact of power outages that negatively affect all customers, with far ranging unintended consequences, and with rural and disadvantaged communities bearing the most disproportionate impacts

Microgrids can also provide a wide range of electric grid services, system reliability benefits, clean firm capacity, and other distribution support services to utilities and grid operators that can benefit all ratepayers. Procuring these microgrid services from customers can help reduce systemwide costs and save ratepayers money that would otherwise be spent on larger, more expensive capital energy infrastructure that is now particularly vulnerable and risky in the face of climate change and extreme weather events. Microgrids are a holistic resilience and reliability solution for the state of Oregon.

One of the biggest barriers to microgrid development, both in Oregon and in many states across the U.S., is the lack of legal and regulatory clarity surrounding the rules for microgrid design and operation, as well as adequate compensation mechanisms for energy and grid services.

If clear regulations and "rules of the road" for microgrids are created and properly implemented, as the bill intends, HB 2066 would create new market certainty and provide a sustainable monetization pathway for customers and communities to develop microgrid projects with greater efficiency, speed, and cost-effectiveness.

Oregon has already made great strides to advance clean energy resilience solutions like microgrids with its previous legislative directives to create community resilience hubs and fund county energy resilience planning grants. The MRC was proud to support these legislative efforts in 2023 and encourages the state legislature to continue its policy leadership by taking additional action this session to further stimulate microgrid market development in Oregon.

HB 2066 takes a crucial and necessary step forward in accelerating the deployment of microgrids widely across the state of Oregon to increase resiliency and increase energy system reliability by directing the creation of clear regulations and rules for microgrid development and operation by customers and

communities seeking to build new microgrid projects that will advance a multitude of state and local policy objectives and yield tremendous benefits to all.

The MRC respectfully requests your aye vote on HB 2066 and I am here to answer any technical or other microgrid policy questions. Thank you for your time and attention this morning.

<u>/s/ Allie Detrio</u>

Allie Detrio Senior Advisor Microgrid Resources Coalition