

February 6, 2025

- TO: House Committee on Climate, Energy and Environment
- FR: Sharla Moffett, Oregon Business & Industry
- **RE:** HB 2064, HB 2065, HB 2066

Chair Lively and Members of the Committee:

For the record, my name is Sharla Moffett, senior policy director for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

I want to start by noting that, while OBI is registered as opposed to HB 2064, HB 2065 and HB 2066, a better way to describe our position is that we have significant concerns with the bill as introduced. We do not oppose microgrids generally, but we do believe there are many details that need to be worked out between the proponents of these bills and the regulated electric utilities.

As written, HB 2066 and HB 2064 blur the lines between a regulated utility and a microgrid. These bills direct the PUC to create a situation that allows a microgrid to bypass the safety protections, regulatory oversight, cost shift protections, and other standards that apply to utilities to protect the public. The result leaves utility customers responsible for the risks and costs.

HB 2065 allows a third-party study of the infrastructure needed to connect energy resources to the grid to be considered a final report, which may not meet safety, operations and reliability requirements. This is another issue that needs to be carefully understood.

We are concerned that these issues, if left unaddressed, could ultimately impact customers negatively, which would not be an acceptable outcome.

So, while OBI is not opposed to the spirit of HB 2064, HB 2065 and HB 2066, we cannot support these bills without much more work on language that establishes clear and appropriate roles for each of the parties involved.

Thank you.

Contact: Sharla Moffett at <u>sharlamoffett@oregonbusinessindustry.com</u>