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2/10/25

Chair Sollman, Honorable Members of the Senate Committee on Energy and Environment:

Cascade Natural Gas Corporation would like to share our concerns regarding Senate Bill 685 which would place new requirements on Oregon public utilities engaged in the use or production of hydrogen, a technology that can be used to reduce greenhouse gas emissions.

As Cascade makes good-faith efforts to navigate the rapidly evolving priorities of our communities, we believe it's essential that all opportunities are available to reduce emissions. Oregon needs more options to meet its decarbonization goals, not less. Singling out hydrogen projects for regulatory scrutiny sends a signal from the legislature that the fuel that should be treated differently than other carbon reduction technologies. This sets a bad precedent and could create a chilling effect that hurts interest and investment in hydrogen.

Flexibility in the pursuit of decarbonization technologies is particularly important since local distribution companies (LDCs) like Cascade are being held to aggressive carbon reduction standards through rules such as the Climate Protection Program (CPP). While we are not actively engaged in the pursuit of hydrogen projects, we would be concerned by any law that narrows the pathways available to us to meet the state's climate objectives.

At a time when there is urgency for utilities to embrace bold and aggressive approaches to reducing GHG emissions, we would request that the legislature consider ways to minimize barriers to pursuing decarbonization tools, including hydrogen, so that the solutions offered by LDCs remain as robust and flexible as possible.

Thank you for your consideration.

Sincerely,

Alyn Spector External Affairs Manager Cascade Natural Gas Corporation