



Oregon
Rural
Electric
Cooperative
Association

February 17, 2025

Chair Lively
Vice Chairs Gamba and B. Levy
House Committee on Climate, Energy and Environment
900 Court Street NW
Salem, Oregon 97301

RE: HB 2656 – Net Metering Caps

Chair Lively, Vice-Chairs Gamba and Levy, and members of the committee,

My name is Tucker Billman, and I am the Director of Government Relations for the Oregon Rural Electric Cooperative Association (ORECA). ORECA represents the state's 18 not-for-profit electric cooperatives that serve the geographic majority of the state and 500,000 Oregonians. We are consumer-owned utilities whose governing boards are democratically elected by our customers, who we refer to as member-owners.

I am testifying in opposition to House Bill 2656, which unnecessarily removes important decision-making authority from electric cooperative boards, who work tirelessly to create policy that will equitably serve the best interests of their member-owners. HB 2656 will have inequitable consequences.

Many of Oregon's electric cooperatives have surpassed their statutory requirements for net-metering generating capacity and continue to accept net-metering applications. In some cases, electric co-ops even offer incentives for members to install photovoltaic systems. Our opposition to HB 2656 should not be misconstrued as opposition to net-metering as a practice. Our concerns are focused on the unintended consequences.

The end result of net-metering is a net revenue loss for electric cooperatives because they provide distribution and transmission services to the benefit of the owners of net-metering generation resources without the electric co-op being compensated for these services. The fixed costs to maintain this system are then shifted to other electric co-op member-owners.

Put simply, working class Oregonians who may be unable to afford the investment in net-metering resources or simply disinterested in making them are subsidizing the system costs of those who are able to afford the investment.

Oregon's electric cooperatives range in size from roughly 1,000 meters at our smallest to about 40,000 at our largest. Some have service territories spanning multiple counties and crossing state lines, while some – like Salem Electric Cooperative – serve smaller geographic areas. Because of these significant differences, an appropriate net-metering policy for one electric cooperative may be detrimental to another.

This is why electric cooperative boards must maintain the operational flexibility and control necessary to craft equitable net-metering policies that fit the needs of working class people in their respective service territories.

HB 2656 would eliminate an electric co-op's ability to limit the amount of net-metering allowed on their system, taking this critical decision-making authority out of electric co-op board rooms altogether.

For these reasons, we urge your opposition to HB 2656. Thank you for this opportunity to submit testimony. Should you have additional questions, please do not hesitate to contact me at tbillman@oreca.org.

Tucker Billman

Director of Government Relations

Oregon Rural Electric Cooperative Association