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## SOCAN Testimony supporting HB3179

Chair Sosa and members of the House Committee on Commerce and Consumer Protection Council:

Southern Oregon Climate Action Now is a grassroots climate organization of some 2,000 Southern Oregonians. We are concerned about the climate crisis and seek federal, state and local action to address it. We are also committed to promoting climate action that addresses social injustice. We are rural and coastal Southern Oregonians who live on the frontlines of the warming, reducing snowpack, heatwaves, drought, rising sea level and the increasing wildfire risk that these trends conspire to impose on us. Because of our concern, we pay close attention to efforts nationally, statewide, and locally that impact our collective efforts to address the climate crisis. As our logo above indicates, the focus of SOCAN is to promote action through science.

I write today in support of HB3179. Because our utilities are required to seek Public Utilities Commission (PUC) endorsement if they wish to modify greatly the conduct of their operations or modify their rates, we become aware of both such adjustments sought by our utilities. For the last few years, it seems that investor-owned gas and electric utilities have bombarded the PUC with requests for rate hikes. Often, these rate hike proposals are justified in terms of enhancing profits, their perceived marketing needs, or expansion aspirations of the utilities. Regarding a NW Natural request, Cunningham (2022a) pointed out that: "NW Natural... is seeking to raise gas bills on its customers in order to pay for millions in executive bonuses, higher returns to shareholders, and a larger advertising budget." Fortunately, Oregon's PUC has a notable track record of denying or reducing large rate hike requests (e.g., Cunningham 2022b, OPUC 2024). Despite programs to assist low-income Oregonians, energy burden (the proportion of gross income spent on energy) can be crippling for low-income families. Indeed, Rubin et al. (2023) reported that "nearly 34 million U.S. households reported reducing or forgoing food or medicine or leaving the home at unsafe temperatures in order to pay their energy bills."

During the COVID 19 crisis, Carley and Konisky (2020) conducted a survey exploring energy insecurity among low-income Americans. They found that "13% of respondents had been

unable to pay an energy bill during the prior month, 9% had received an electricity utility shutoff notice and 4% had had their electric utility service disconnected.” They further reported: “When families cannot afford to keep their lights on, or heat or cool their homes to comfortable temperatures, they suffer physically and mentally.” It takes little imagination to appreciate that energy is a basic human need that can be threatened by increasing price.

HB3179 recognizes this problem and seeks to address it by placing a cap on the energy costs families face. We note that the target of this bill comprises the investor-owned utilities that are driven by profit, not the consumer-owned utilities that are driven by service to the consumers.

Being mindful of the need of consumers for affordable energy, and the drive of investor-owned utilities to enhance profits, when possible, we support HB3179 and urge a ‘Do Pass’ recommendation.

Respectfully Submitted



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