



Testimony Submitted by Angela Donley, Policy Analyst Oregon Consumer Justice To the House Committee on Commerce and Consumer Protections

February 20, 2025

Regarding: Support for HB 3179

Chair Sosa, Vice-Chair Chaichi, Vice-Chair Osborne, and Members of the Committee,

For the record, my name is Angela Donley. I appreciate the opportunity to testify today in support of HB 3179 on behalf of Oregon Consumer Justice.

Oregon Consumer Justice (OCJ) envisions a vibrant future where all Oregonians live with dignity and abundance and experience health, joy, and economic opportunity. We work collaboratively across policy and advocacy, community engagement, and the law, to realize a more just and equitable Oregon where people come first. For too long, flawed systems and policies have stood in the way of this reality, with communities of color most often experiencing significant harm. Informed by consumer insights, OCJ works to make financial and business transactions reliably safe and supports Oregonians in knowing and exercising their consumer rights.

Consumers have the right to fair and affordable utility rates and full transparency about the costs they are expected to pay.

More than half a million Oregonians are captive consumers in communities served exclusively by monopoly, for-profit utility companies, meaning consumers lack the option to compare prices for essential services. Although these companies provide vital services, their primary objective is to generate profit. The current—and outdated—regulatory model centers utility companies by incentivizing them to make more infrastructure investments. In fact, Portland General Electric's (PGE) most recent rate hikes helped drive its 2024 profits to a record \$313 million. In this



same year, PGE had unprecedented disconnection rates, even with a bill discount program up and running¹. This example alone highlights the urgent need for stronger consumer protections.

As utility rates keep rising, Oregonians struggling to keep up with payments are facing record-high disconnections of essential services. OCJ believes people need to come first and should not be forced to bear consecutive rate hikes or fear for their own or their family's safety during cold, hot, or extreme weather. Consumers should also have confidence that the state agency overseeing utilities has the full authority to protect them from unjust rate increases.

HB 3179, the FAIR Energy Act, along with its forthcoming amendments, will safeguard consumers by banning winter rate increases, mandating a waiting period between major rate hikes, and ensuring greater pricing transparency. These changes are crucial to both consumer safety as well as help Oregonians manage their utility bills. This bill also strengthens regulation by giving the Oregon Public Utility Commission explicit authority to set the lowest rates possible for for-profit utilities, determine when new rates will take effect (including phasing in rate increases over time to give customers more stability), and consider various household economic factors when approving rate increases.

Thank you for your consideration and your service in building the future that Oregonians deserve.

¹ Portland Business Journal. <u>Portland General Electric reports big profit jump in 2024.</u> February 14, 2025