

Testimony to the Joint Subcommittee on Transportation and Economic Development – HB 5034

February 20, 2025

**Jay Ward, Interim Director of Programs
Oregon Environmental Council**

Re: Oregon Environmental Council support for HB 5034

Dear Co-chair Gomberg, Co-chair Woods and members of the committee,

On behalf of Oregon Environmental Council and our thousands of members throughout the state, Green Energy Institute and the Northwest Energy Coalition, I write in strong support of the Oregon Public Utility Commission (OPUC) budget request in House Bill 5034 before you today.

As you have heard, the OPUC has traditionally had as its mission, ensuring Oregonians have access to safe, reliable and fairly priced utility services. More recently, the legislature has reasonably directed the OPUC to do even more for Oregon ratepayers, but often without providing the necessary funding for the Commission to acquire the staff resources to carry them out.

- HB 2475 directed the Commission to review the extent to which some customer classes were underserved and underrepresented in proceedings before the Commission and to recommend policies to better serve those customers.
- Recognizing that some customers had not historically been able to access clean energy incentives, HB 3141 directed the Commission to include efficiency and equity funding and metrics as performance benchmarks for utility programs it regulates.
- Subsequent to devastating wildfires in Jackson, Marion and Lincoln counties, the legislature passed and the governor signed SB 762 directing the Commission to require each of the three investor owned utilities it regulates to prepare Wildfire Mitigation Plans.
- Four years ago, the legislature enacted HB 2021, which put Oregon's three electric investor owned utilities on a track to reduce and eventually eliminate greenhouse gases from their electricity generation portfolios, and to create Community Benefit Plans to ensure that community priorities are reflected in the way the utilities achieve those goals.
- Lastly, in November the Environmental Quality Commission approved the Climate Protection Plan, requiring fuel suppliers, some of which the OPUC regulates, to decrease their greenhouse gas emissions.

The above programs and directives are essential for a more resilient, healthy, safe and fair energy landscape. Promulgating the rules necessary to carry out each of these legislative directives requires public meetings, workshops and staff time to process the results of those deliberations. We applaud the OPUC's commitment to achieving these goals through robust public processes and input.

As regards the OPUC's mission to deliver safe and fairly-priced utility services, it should be noted that with intensifying weather, aging infrastructure, and growing energy demand, Oregon utilities are having to play catch-up and invest in projects to deliver energy in a safe manner to

customers and communities. Whether it is clearing transmission easements through fire-prone landscapes, incorporating more flexible loads and long-term storage onto their distribution systems, supporting customer resilience during ice, fire and smoke events or purchasing additional generation to accommodate new and emerging large loads, such as data centers; all of these overdue investments will cost money. Investor-owned utilities also have pressure to earn a rate of return on capital investments, but each of you have noted previously, it is the customers who bear those costs. The OPUC staff, whose budget you are considering today, is the “referee” who can ensure that those investments are made in a prudent, least-cost manner, so that customers are better served and any rate impacts are as minimal as possible. At the legislature’s direction, the OPUC is undertaking complex, transformational and necessary work. Oregon Environmental Council, Green Energy Institute and the Northwest Energy Coalition urge you to provide them with a budget that will allow them to do so.

Sincerely,

Jay Ward
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Oregon Environmental Council
On behalf of:
Green Energy Institute
Northwest Energy Coalition