

February 20, 2025

House Commerce and Consumer Protection Committee
Oregon State Legislature
900 Court St NE, Hearing Room F
Salem, OR 97301

RE: House Bill 3179

Thank you for the opportunity to testify on behalf of the Northwest Gas Association (NWGA). The NWGA represents the three natural gas utilities and two transmission pipelines that provide warmth and comfort to 2 million Oregon residents, as well as heat and productive energy to more than 85,000 Oregon businesses, institutions, and industries.

Natural gas utilities are well-positioned to understand the sensitivities their customers face. Affordability in particular has been a major topic of conversation as of late, largely driven by the frequent and sizeable electric rate increases over the last few years.

Natural gas utilities have not raised rates as frequently nor as significantly as Oregon's electric utilities. Therefore, we respectfully ask that they be excluded from HB 3179. Including natural gas utilities in this measure will make it harder for them to invest in the infrastructure needed to deliver reliable energy to Oregon's hospitals and schools, and to operate and decarbonize their systems.

We are surprised that Oregon's residential customer advocate has convinced the Legislature to introduce HB 3179 – a bill that will harm customers by raising their rates, not lowering them. The bill requires utilities to carry more debt for longer periods, which will result in higher debt costs for customers and increased utility bills – contradictory to CUB's mission to look out for the welfare of residential customers.

We encourage the Legislature to have a broader conversation about the policy drivers contributing to higher rates, including policies that customers have not yet fully felt, such as the Climate Protection Program.

Our utilities deeply care about their customers and their customers' ability to balance paying for the energy they need while also affording other necessities. This is why our members have robust programs to come alongside both low-income and non-low-income customers with bill assistance. NWGA members also have other tools to smooth out rate increases, including natural gas storage, which allows us to purchase gas when it is cheapest and deliver it when it is needed most – especially during peak winter months. Last year's winter storms continue to highlight the importance of the natural gas system in Oregon, with nearly 70% of all energy delivered to customers coming from natural gas.

We ask you to seriously consider removing natural gas utilities from this legislation.

Thank you,

Natasha Jackson
Director of State Affairs