

February 20, 2025

TO: House Committee on Consumer Protection and Commerce

FR: Sharla Moffett, Oregon Business & Industry

RE: HB 3179

Chair Sosa and Members of the Committee:

For the record, my name is Sharla Moffett, senior policy director for Oregon Business & Industry (OBI).

OBI is a statewide association representing businesses from a wide variety of industries and from each of Oregon's 36 counties. In addition to being the statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Oregon's private sector businesses help drive a healthy, prosperous economy for the benefit of everyone.

OBI opposes HB 3179.

OBI understands the difficulties that utility rate increases present for ratepayers, particularly at a time when affordability is a top of mind issue for many. At the same time, utilities are facing myriad challenges from cybersecurity threats, extreme weather events, rapidly growing energy demands and transitioning to cleaner energy sources, and associated regulations, all while maintaining the safety and reliability for customers.

Utilities have also faced increased costs associated with equipment, materials and labor. When costs for equipment like transformers and circuit breakers have risen 50% since 2020, utilities are clearly facing cost

pressures that would be impossible to manage without reasonable and prudent rate increases.

Cost cutting measures that prevent investment in timely maintenance and upgrades could have serious unintended, and potentially catastrophic, consequences. Limiting rate increases could also hinder the clean energy transition including recent regulatory requirements passed by the Legislature.

For these reasons, we urge the committee to oppose HB 3179.

Thank you.

Contact: Sharla Moffett at sharlamoffett@oregonbusinessindustry.com