

Testimony to the House Climate Energy and Environment Committee Support for Electric Transmission Grid Bills

February 23, 2025

Chair Lively, Vice-chairs Gamba and Levy, and members of the committee,

My name is Dr. Pat DeLaquil. I am an energy system modeler and climate policy analyst, and I organize with MCAT (Mobilizing Climate Action Together), a community of volunteers working on advancing a healthy climate and a green economy for future generations.

Oregon faces a sharp increase in demand for electricity that will require substantial improvements to our transmission grid. To address this issue, a transmission workgroup was formed to address the need for technological upgrades and better coordination among public utilities, grid operators and state/federal agencies.

The workgroup consisted of 80+ members, representing utilities and stakeholders, who met over the past year and a half to review the current state of our energy and transmission grid in Oregon and around the West, and to brainstorm policy ideas within the workgroup that has resulted in 4 policy proposals, two of which are before you today. These comments address both bills as well as a third bill, which has been pulled from the agenda.

HB 3336 – Grid Enhancing Technologies

Grid Enhancement Technologies (GETs) are hardware or software innovations that allow the electricity transmission system to operate more efficiently. Installing GETs will allow the existing transmission system to carry more electricity, which is critical to meeting growing, near-term loads, especially from data center. And, as shown in the Oregon Energy Strategy preliminary results, GETs and reconductoring also decrease the number of costly new lines needed to meet our region's growing electricity demand in the longer term.

This bill would require Oregon electric utilities to plan for and deploy cost-effective GETs and reconductoring into their Integrated Resource Plans (IRPs), which are reviewed by Oregon's Public Utilities Commission (OPUC). This bill is needed to motivate utilities and the OPUC to consider GETs as a cost-effective way of increasing the capacity of our existing transmission infrastructure in the near-term because GETs have not received the acceptance in the US that they enjoy in Europe – partly because utilities earn a return from investments, and GETs decrease the need for major investments.

HB 3628 – Oregon Electric Transmission Authority

In the face of increasing electricity rates, states are considering alternative methods for planning, financing and developing new transmission. A State Transmission Authority can access low-cost financing options that could save ratepayers from 25-50% on electricity rates, according to a recent California study. Wyoming, Idaho, Kansas, North Dakota, South Dakota, Colorado and New Mexico have already established State Transmission Authorities and in 2025, Oregon, Washington and Montana are considering their creation.

HB 3628 specifies the structure of the new Authority, including its Board of Directors, Staff and Budget. The new Authority would be vested with the power to issue transmission revenue bonds, coordinate the implementation of GETs, streamline siting of new power facilities, and help establish public-private partnerships to enable robust funding.

The proposed Oregon Electric Transmission Authority would:

- Catalyze investment and public support for needed expansion of electric transmission capacity in the state by financing, developing, constructing, upgrading, owning and operating electric transmission infrastructure.
- Identify and establish electric transmission corridors with statewide significance, and utilize low-cost revenue bonds to finance transmission projects that are recovered by collecting payments from the users of the authority's transmission facilities.
- Establish the Tribal Advisory Council on Electric Transmission to ensure equity and environmental concerns are addressed.
- Submit an annual report to the Legislative Assembly related to the authority's activities and operations for the preceding year.

HB 3628 limits the Authority's annual operating budget to no more than \$2 million – to be funded through a charge on large industrial electricity customers.

HJM 10 - Federal Resolution on Bonneville Power Authority

I understand that due to the recent cut-backs and policy changes at Bonneville Power Administration (BPA) this bill is no longer being pursued. Although BPA controls much of the transmission in the Northwest, their cooperation and coordination are becoming less certain, which increases the importance of state action to pursue timely and cost-effective expansion of our transmission network leading to an organized regional market.

I urge you to support **HB 3336** and **HB 3628**. We need coordinated actions to strengthen and expand our electricity transmission system with a long-term goal of evolving an RTO for the region, so we can meet projected future load growth and increase our access to regional resources for low-cost clean energy resources.

Sincerely,

Dr. Pat DeLaquil
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