

February 24, 2024

TESTIMONY TO HOUSE COMMITTEE ON COMERCE AND CONSUMER PROTECTION

RE: HB 3179 hearing to be held 2/25/25 at 1:00 p.m.

Chair Sosa and Committee Members:

I am scheduled to speak at the above hearing, however, I want to provide some documentation to support my strong support for the above bill.

The Oregon Public Utility Commission rate approvals are allowing for-profit utilities with no competition to extract from customers increases in rates that far exceed the public's increases in income or ability to pay them . I have listened to pleas from Idaho Power customers saying that what the utility considers a reasonable rate increase is devastating to the budget of people with limited income. Public pleas prior to the most recent 12% rate increase went unheard by the PUC.

Idaho Power is the primary subsidiary of IdaCorp, Inc. IdaCorp just released their 2024 Form 10-K to the Securities and Exchange Commission. This report shows the 2024 earnings of the company prior to the 12% increase PUC approved for 2025.

The report which is primarily a reflection of Idaho Power income shows the following Financial Highlights:

--Total Revenue \$1,552.8 million, driven by 3% increase in retail sales volumes.

--Operating Income: \$14.8 million increase, primarily due to higher retail revenues per MWh and customer growth.

--Net Income: \$289.2 million, reflecting a \$28 million increase from the previous year, primarily due to higher net income at Idaho Power.

--Net Income Per Share: \$5.50, an increase from \$5.14 in the previous year.

THIS INFORMATION IN THE REPORT SHOWS THE FOLLOWING:

--Idaho Power retail income increases were driven by increased rates and customer growth. Idaho Power increased it's wholesale energy sales and states they project 2025 to show more increases.

Customers are being required to pay 12% more in 2025 than in 2024 due to what the company calls "regulatory recovery", which most of us call customer costs for electricity. This increase will allow a continuation of the 12 year period when dividends for stockholders have increased every year. Customers are also supporting increased profits

for Idaho Power which are over 10%. I know of no other company which is guaranteed over a 10% annual profit, and electric customers clearly will not have increased income to support this amount of profit.

The report does not focus on “conservation” or support for “locally generated electricity.”

It is focused on increasing the number of customers, amount of electricity they can sell and increasing their participation in the transmission and sale of “wholesale electricity” . When a utility is being protected from competitors which would require them to limit profits to stay in business, they can afford the luxury of unreasonable rates to their customers.. It is time to tie electric rate increases to the increases in the income of the citizens who have no option but to purchase power from for profit utilities.

I use Idaho Power as an example since they are currently building a transmission line across 5 Oregon Counties providing an energy freeway allowing them to compete with Oregon utilities in purchasing low cost renewable energy with Oregon taxpayer provided tax credits and moving it with the tax credits to Idaho and other states. The other for profit utilities in Oregon have been receiving equally generous rate increases as follows:

PGE Rate increases from 2022 through 2025 = 41.5%

Pacific Power rate increases 2022:

2022 = 11%; 2023 = 7%; 2024 = 18%; 2025 = 5.5% approved to date.

Total increases 2021 to 2025 = Nearly 50%

Any concerns regarding the sharing of customer socio-economic data with the commission is unfounded. Utilities are already required to share financial information which is not available to the public, and the additional information would not necessitate identifying specific customers. Most of the information is easily accessible on the internet. .

Please do not undermine the conditions of this bill through amendments. Approve it as introduced. You owe it to the citizens of Oregon who you represent.

Thank you for reading my testimony.

Irene Gilbert

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