



February 26, 2025

The Honorable John Lively  
Chairman  
House Climate, Energy, and Environment Committee  
900 Court Street, NE

Dear Representative Lively,

I am writing today on behalf of the Alliance of Western Energy Consumers (AWEC). AWEC opposes HB 3628 as it is currently drafted.

AWEC is a non-profit organization comprised of some of the largest, most innovative and trusted employers in the west. AWEC provides a strong advocacy voice in shaping the dynamics of energy markets, natural gas markets, and regulatory policy. Our members provide tens of thousands of highly paid technical jobs. AWEC has a large and diversified base of members that represent industries such as agriculture, aeronautics, air products, pulp and paper, food processing, informational technology, healthcare and more. AWEC has identified a number of concerning issues with HB 3628, three of which are summarized below.

First, the initial costs of the Transmission Authority are funded exclusively by customers that are over 20 MW, despite the fact that, to the extent customers benefit from projects pursued or facilitated by this Authority, those benefits will inure to all customers. The funding allocation is particularly unfair given that, if the Transmission Authority doesn't spend its initial operating budget, the remaining funds are not returned to the customers that paid the charges, but are instead used to facilitate programs for low-income customers. Large energy users already contribute more than any other customer class to Portland General Electric's low-income programs.

HB 3628 also appears to have legal infirmities or ambiguities. The bill allows the Transmission Authority not just to facilitate new transmission development but to own and operate transmission lines. This raises a number of unanswered questions, some of which include:

- Would the Transmission Authority become a transmitting utility subject to FERC jurisdiction?
- Would the Transmission Authority need to file an Open Access Transmission Tariff?
- How would it develop transmission rates and what it would do with the revenues from those rates.
- Would it participate in broader markets like the EIM and EDAM/Markets+ or even a full RTO and, if so, what are the implications of an Oregon governmental authority potentially being subject to California law?

Finally, the bill enables the Transmission Authority to establish transmission corridors of statewide significance, but provides no obvious benefit from this power. Normally such corridors would be subject to streamlined permitting for projects in these corridors, but the bill merely gives the Transmission Authority the ability to coordinate with other agencies, not the ability to facilitate the permitting

process. This seems just as likely to further bog down the transmission siting process as it is to facilitate it by introducing yet another governmental authority with oversight over this process.

We believe this bill needs additional work, as it raises a number of unanswered questions that would very likely have unintended consequences as it is currently drafted.

Best regards,

Bill Gaines  
Alliance of Western Energy Consumers  
Executive Director