

<b>Date:</b>	February 26, 2025
<b>To:</b>	Representative John Lively, Chair Representative Mark Gamba, Vice Chair Representative Bobby Levy, Vice Chair Members of the House Climate, Energy and Environment Committee
<b>From:</b>	Association of Oregon Counties Legislative Affairs Manager Branden Pursinger
<b>Subject:</b>	House Bill 3628 - Neutral

The Association of Oregon Counties (AOC) is a non-partisan member organization that advocates on issues that unite all county governing bodies and have an impact on county functions, governance, budgets, and services.

Counties share the proponents’ concerns about limited transmission lines and the energy capacity being developed in the state; to meet our clean energy goals, we must do more to develop and create additional energy opportunities for citizens of Oregon to use. However, after reviewing **HB 3628**, which creates the Oregon Electric Transmission Authority (Authority), AOC has several areas of concern with the bill as drafted.

Although AOC does not currently have an official position on HB 3628, we appreciate the opportunity to put these issues on record. Furthermore, AOC is committed to working with the bill’s proponents to identify ways to address our concerns.

**Section 3 – Board of Directors**

As the bill is currently drafted, Local Governments are mentioned in Section 11(1)(a); however, in a very limited capacity. The bill states the Authority will coordinate with the affected local government to enter into a use agreement. Using the basic definition of “coordinate,” it states, “to bring the different elements of a complex activity into a relationship that will ensure efficiency or harmony.” Thus, the Authority will bring the different elements of a use agreement to the affected local government to ensure harmony in the use agreement. For counties, this does not go far enough. Section 3(2) establishes members for a Board of Directors. Land use advocates, developers, business and labor interests, and state agencies have seats on the Board of Directors, however no one from local government is included.

**Section 5 – Powers of the Board**

Section 5(5) gives the Board the ability to “establish, charge, collect and use charges or fees for authority services or for the use of authority facilities.” It is understood that the intent of this bill is to establish a self-funded “Authority” to ensure they are not constantly relying on General Funds from the state. However, the fees appear to be separate and distinct from the fees and charges found in Section 19 (Nonbypassable transmission authority charge). Who/what entities

these charges in Section 5(5) are to be levied on and what the amount of the fee / charge are unclear.

Section 5(9) states the Authority can sue local governments. Since local governments cannot provide any input in Transmission development, we think it is inappropriate for counties to take on any liability.

### **Section 9 – Proposed project; hearing; judicial review vested in Supreme Court**

Section 9(1)(a) states notices shall be provided to Bonneville Power Administration (BPA), the Public Utility Commission (PUC), and every electric utility in the state, but local governments are not included in the list of those that should be notified. Because local governments are not on the notification list, the bill would require local governments to constantly monitor a website to find out where these projects will be located.

Section 9(1)(b) states that only a person with an interest in the project is allowed to appeal a decision made by the authority. Rarely in statute does a local government qualify as a “person.” The bill states a local government can sue the Authority in Section 5 but Section 9 causes confusion in who is allowed to appeal and how that appeal process will work.

Section 13 removes the PUC from having jurisdiction over regulating the facilities owned / operated by the Authority. When a local government has an issue with a utility, the local government will go to the PUC for assistance. If the PUC is not the regulatory agency, and local governments are not named in Section 9, it is unclear by what process a local government must address issues with the Authority’s facilities.

### **Section 16 – Streamlining processes**

Section 16 directs the Authority to work and coordinate with appropriate state and federal agencies, tribal governments, utility providers and transmission developers and operators. Local Governments are not listed as coordinating partners.

The Association of Oregon Counties respectfully requests these issues be addressed before the bill moves forward.