

PO Box 14822
Portland, OR 97239
503.222.1963
OEConline.org | @OEConline

Testimony to the House Committee on Climate, Energy and Environment re: House Bill 3628

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Jay Ward, Interim Director of Programs Oregon Environmental Council

Founded in 1968, the Oregon Environmental Council (OEC) is a nonprofit, nonpartisan, membership-based organization. We advance innovative, collaborative and equitable solutions to Oregon's environmental challenges for today and future generations.

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

On behalf of Oregon Environmental Council and its thousands of members throughout the state, I write in strong support for House Bill 3628, which will create an independent public corporation to facilitate electricity transmission planning and development. The establishment of such a corporation, to be known as the Oregon Electric Transmission Authority (OETA), is necessary if Oregon is to have a sufficiently robust electric grid, enabling our state to remain a prosperous and healthy place to live and work.

As in other states, Oregon investor-owned utilities currently plan for and deploy transmission and distribution systems for the benefit of their respective systems and ratepayers. While economically rational for each individual utility, by focusing only on their own ratepayer and shareholder interests, inter-system benefits such as new resources, resiliency and flexibility are often under-optimized.

Due in part to this fragmentation of interests, investments in Oregon's electricity transmission system have not kept up with system needs, forcing utilities and communities to struggle to catch up. According to a recent Pacific Northwest Utilities Conference Committee report, as more data centers and technology manufacturers expand their operations regional electricity demand, including here in Oregon, is expected to increase by 30% over the next ten years. Fortunately, renewable electricity providers are poised to build out much-needed additional generation, but transmission interconnection bottlenecks and other barriers are constraining their ability to meet the additional demand.

OEC is encouraged that if enacted into law, HB 3628 would require that OETA be guided by a diverse, twelve-member Board of Directors. To ensure that a wide range of perspectives are considered, the Board would have members representing commercial or industrial customers, residential customers, organized labor, environmental justice communities, and the transmission infrastructure and renewable energy generation sectors, to name a few. Mindful of Oregon Indian tribes' sovereign status and unique interests and experience, HB 3628 also creates a Tribal Advisory Council on Electric Transmission and a representative from that council will also serve on the OETA board.

Finally, it should be noted that climate-related disturbances and events such as the 2020 North Santiam fires, are already challenging our regional transmission and distribution systems and in the future disturbances such as these are expected to increase in both frequency and intensity. To survive and thrive through such disturbances, Oregonians need and deserve a more resilient and robust power grid and establishing a statewide transmission authority as is an overdue step toward building such a system.

Oregon Environmental Council urges you to vote yes on HB 3628.

Sincerely,

Jay Ward Interim Director of Programs **Oregon Environmental Council**