

Testimony to the House Committee on Climate, Energy and Environment re: House Bill 3336

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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, membershipbased 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 3336. If enacted into law, HB 3336 will direct utilities to analyze and plan for appropriate, cost-effective Grid-enhancing technologies (GETs) integration into their transmission and distribution systems.

The United States Department of Energy, characterizes Grid-enhancing technologies as those which "maximize the transmission of electricity across the existing system through a family of technologies that include sensors, power flow control devices, and analytical tools."

Oregon's electric transmission and distribution system is an interconnected collection of poles, wires, conductors, substations and transformers, owned and operated by the federal government and investor owned and consumer owned utilities. (IOUs and COUs respectively). Since its genesis in 1889, the system or grid, has been expanded and improved on an as-needs basis, depending upon multiple factors including, but not limited to, emerging generation location, customer requirements and policy developments. Each utility or balancing authority is responsible for building out and maintaining its own portion of the system.

While this system was sufficient for much of the 20th century, new demands such as data centers and building and transportation electrification, combined with challenges presented by a warming climate, and emerging opportunities to store energy and diversify electricity generation, require that Oregon's transmission system be made more efficient, flexible and resilient. GETs are powerful tools which can help us achieve those critically important goals.

As part of its Oregon Energy Strategy process, the Oregon Department of Energy (ODOE) modeled multiple energy use, generation and transmission scenarios—all scenarios indicated a need for additional clean energy infrastructure—infrastructure which should include GETs. Additionally, the ODOE model found that *Oregon lacks sufficient physical transmission capacity to meet the modeled electricity flows*. Building out such transmission capacity will be costly. Integrating lower cost GETs into the system can help moderate those costs and the associated rate impacts on customers.

GETs are however, not just necessary for a more robust electric grid. Some GETs can help utilities and transmission owners and managers reduce so-called line sag, which during high wind events can reduce the risk of the lines interacting with our increasingly flammable forests, as occurred during the catastrophic 2020 Beachie Creek fire.

Once HB 3336 is passed into law, IOUs will be required to consider and evaluate available and emerging GETs as part of each utility's Integrated Resource Plans and Clean Energy Plans—processes already required in statute and overseen by the Oregon Public Utility Commission (OPUC) as part of its regulatory oversight responsibilities. This will ensure that any GETs adopted by the utility would be both efficacious and cost-effective.

Lastly, virtually everyone agrees that Oregon transmission and distribution system owners and operators are going to have to invest in a more robust, efficient and resilient grid. History has shown that such investments can be costly to the utilities and consequently, its customers. Optimizing the utilities use of GETs can help them and their ratepayers save both money and electricity while also mitigating risk from increasingly common natural disturbances.

Oregon Environmental Council urges you to vote yes on HB 3336.

Sincerely,

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