

To House Committee on Climate, Energy and the Environment Support for HB 3546 - Protecting Oregonians with Energy Responsibility

March 6, 2025

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

My name is Dr. Pat DeLaquil. I am an energy system modeler and climate policy analyst, and I organize with MCAT (Mobilizing Climate Action Together), a community of volunteers working on advancing a healthy climate and a green economy for future generations.

Demand for electricity is growing rapidly in Oregon—mainly from data centers and other big tech loads. This mass influx of very large energy users is putting a strain on our energy system and driving up costs for everyone, as evidenced by recent utility rate hikes. Since 2021, a nearly 50% increase in energy bills has dramatically impacted low-income ratepayers, leading in 2024 to nearly 58,000 households being disconnected by PGE and Pacific Powers combined.

HB 3546 seeks to hold large energy users accountable for paying for their own energy needs. The bill requires state regulators to create a new rate class for large tech loads that will collect the system infrastructure costs needed to serve these large energy users, so that the costs can be properly charged against these customers rather than being paid for by **all** ratepayers. This is a practice already in use by consumer-owned utilities, and HB 3546 would make this practice available to the state's investor-owned utilities. This bill ensures that data centers and other large energy users pay their fair share of these costs.

The new customer class would apply to data centers and large energy users starting at 20MW. The bill would also require contracts for these large energy users that have 1) at least a 10-year period to ensure expensive investments are worth it, 2) a minimum annual offtake amount, and 3) penalties for exceeding a maximum energy level.

We need data centers and other large energy users, but we want them to pay their fair share. HB 3546 will help state regulators assign these high costs to only those customers who are making them necessary in the first place

Thank you for listening to my comments.

Dr. Pat DeLaquil
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