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March 4, 2025

Senator Janeen Sollman, Chair Senator David Brock Smith, Vice-Chair Oregon State Legislature Energy and Environment Committee 900 Court Street, NE Salem, Oregon 97301

Subject: Senate Bill 88 - 2025 Regular Session

Chair Senator Janeen Sollman, Vice-Chair Senator David Brock Smith, and members of the Committee,

EXIDAHO POWER®

Idaho Power Company (Idaho Power) respectfully provides these written comments in opposition to Senate Bill 88 (SB 88).

Idaho Power serves approximately 20,000 customers across portions of Malheur, Baker, and Harney counties in Eastern Oregon. Idaho Power is regulated by the Public Utility Commission of Oregon (Commission or OPUC) and must adhere to all applicable Commission orders and directives when presenting its proposals in front of the OPUC for consideration. SB 88 as drafted will "prohibit an electric or gas company from recovering from ratepayers costs or expenses associated with advertising, political influence activity, litigation, penalties or fines and certain compensation," and also seeks to limit the amount that a public utility may recover from its customers for costs and expenses incurred in its participation in a contested proceeding in front of the OPUC and impose new and onerous reporting requirements on public utilities operating in the state.

On its website, the Oregon Citizen's Utility Board characterizes the bill as the "Get the Junk Out of Rates" bill, suggesting: "things like expensive lawyers and lobbyists, advertising, industry association fees, and charitable donations should come out of company profits and not be charged on our bills. These costs are a benefit for corporate interests, not customers. This bill aims to get millions of dollars of "junk" out of our rates. Every penny counts for customers."¹ However, CUB's characterization that these costs are currently included in rates is misleading. Public utilities like Idaho Power must adhere to Commission orders and directives on matters it presents for Commission review – many of the items contained within the bill are *already* excluded – per Commission order – from customer rates. Said another way, the perceived problem this bill is seeking to address does not exist. Idaho Power does not

¹ <u>https://oregoncub.org/news/general-interest/cubs-2025-legislative-priorities/3082/</u>, language present on March 3, 2025.

seek to recover political influence activity, charitable donations, brand enhancement advertising, penalties or fines related to non-compliance, or services that are not regulated by the OPUC. The Commission *already* has the authority – and in many cases has previously decided –to disallow recovery of the costs listed in the draft bill. Further, the bill would limit the OPUC's ability to assess and determine rates that are fair, just, reasonable, <u>and</u> balance both customer and company interests.

Finally, the bill seeks to introduce new onerous reporting requirements associated with activities that are largely already excluded from rates and limitations on a public utility's ability to present its case in front of the OPUC. As a regulated utility, the burden of proof in any proceeding is on Idaho Power. This bill seeks to reduce Idaho Power's ability to recover reasonable costs (which are subject to review and approval by the OPUC) associated with presenting matters in front of the regulator.

Sincerely,

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Connie Aschenbrenner Rate Design Senior Manager, Regulatory Affairs

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