

Testimony Supporting Senate Bill 88 to Oregon Senate Committee on Energy and Environment, March 2025

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Good afternoon Chair Sollman, Vice Chair Brock Smith, and members of the Committee:

Thank you for the opportunity to provide testimony before the Energy and Environment Committee. My name is Stephanie Chase and I'm a Research and Communications Manager with the Energy and Policy Institute (EPI). EPI is a national utility research and watchdog organization. EPI has documented how electric and gas utilities use the money they collect from customers' monthly bills to fund political machines that aim to push legislation, curry favor with regulators, and alter the outcomes of elections, sometimes even breaking laws in the process.¹

EPI supports Senate Bill 88. We have seen similar legislation² across the country help to lower costs and provide transparency and accountability for monopoly utilities.

In 2023, Colorado, Connecticut and Maine passed utility accountability legislation, and customers in those states are seeing the benefits. The Connecticut statute prohibited utilities from recovering lobbying, advertising, marketing, and trade association costs from customers and contained requirements for annual line-item disclosures, as SB 88 proposes to do. EPI's recent analysis found that since the law went into effect in Connecticut, the state's investor-owned utilities have disclosed over \$9.7 million spent on costs that are not allowed to be recovered from ratepayers thanks to the state's law.³ Connecticut's law has made it easier for advocates, staff, and others to track these expenses and make sure they are not included in customer bills.

In Colorado, the PUC has disallowed more than \$775,000 in annual costs for lobbying fees, trade association dues, and investor relations that one utility tried to recover.⁴ In its order addressing these costs, the PUC pointed to the state's accountability law and criticized the utility for being too narrow in its definition of lobbying. The existence of the statute gave the PUC the tools to draw a bright line, and could result in further savings for customers as the Commission requires the utility to better follow the law.

 ¹ EPI, "Getting Politics Out of Utility Bills." January 2023. <u>https://energyandpolicy.org/utility-political-machines/</u>.
² EPI, "Tracking State Legislation to Get Politics Out of Utility Bills," March 2025. <u>https://energyandpolicy.org/tracking-states-getting-politics-out-of-utility-bills/</u>

³ Itai Vardi, "New Laws Curbing Utility Political Spending Saving Ratepayers Millions of Dollars," February 28, 2025. <u>https://energyandpolicy.org/new-laws-curbing-utility-political-spending-saving-ratepayers-millions-of-dollars/</u>

⁴ Mark Jaffee, "Xcel Energy ordered to remove investor relations and executive salaries from costs passed on to Colorado consumers," November 5, 2024. <u>https://coloradosun.com/2024/11/05/xcel-bills-executive-salaries-investor-relations-colorado/</u>



EPI has published a number of reports⁵ highlighting utility efforts across the country to charge ratepayers for lobbying, corporate brand advertising, perks for executives and employees, and engagement with Wall Street, including highlighting NW Natural's "Less we can" campaign. These expenses do not benefit customers and often work against their interests.

By passing Senate Bill 88, Oregon has an opportunity to save customers money from inappropriate lobbying, advertising, and other expenses that do not benefit customers. The bill's requirement of regular, mandatory disclosures that provide greater visibility into utilities' political spending and the bill's enforcement mechanisms will result in real savings for customers, increased transparency, and regulatory efficiencies. I encourage the Committee to pass this bill and bring those benefits to Oregon. Thank you for your time and consideration.

⁵ See EPI, "Getting Politics Out of Utility Bills." January 2023. <u>https://energyandpolicy.org/utility-political-machines/;</u> EPI, "Power Trip: How utilities use customer money to fund lobbying, corporate branding, and luxury lifestyle expenses." December 2024. <u>https://energyandpolicy.org/wp-content/uploads/2025/01/Power-Trip-Getting-Lobbying-Ads-Out-Of-Utility-Bills.pdf</u>