Cascade Policy Institute
OREGON

March 5, 2025

House Committee on Climate, Energy and Environment
Oregon State Capitol
Salem, OR 97301

Re: Support for HB 3247

Dear Chair Lively:

HB 3247 seeks to correct an imbalance that has occurred in legislative policy regarding the most important attributes of energy generating fuels.

For roughly two decades, the legislature has prioritized carbon reduction over all other considerations, such as cost or reliability. That was a mistake.

On the coldest winter nights or the hottest summer days, Oregonians ***need*** reliable electricity. They may ***care*** about carbon emissions, but not at the expense of reliability.

There is nothing strange about this preference. If we buy a car, we expect it to work all the time. If we hire employees, we expect them to show up regularly. Random failure is not acceptable in any aspect of our lives.

Yet randomness is the defining trait of wind and solar farms. That's why they are known as "intermittent" resources.

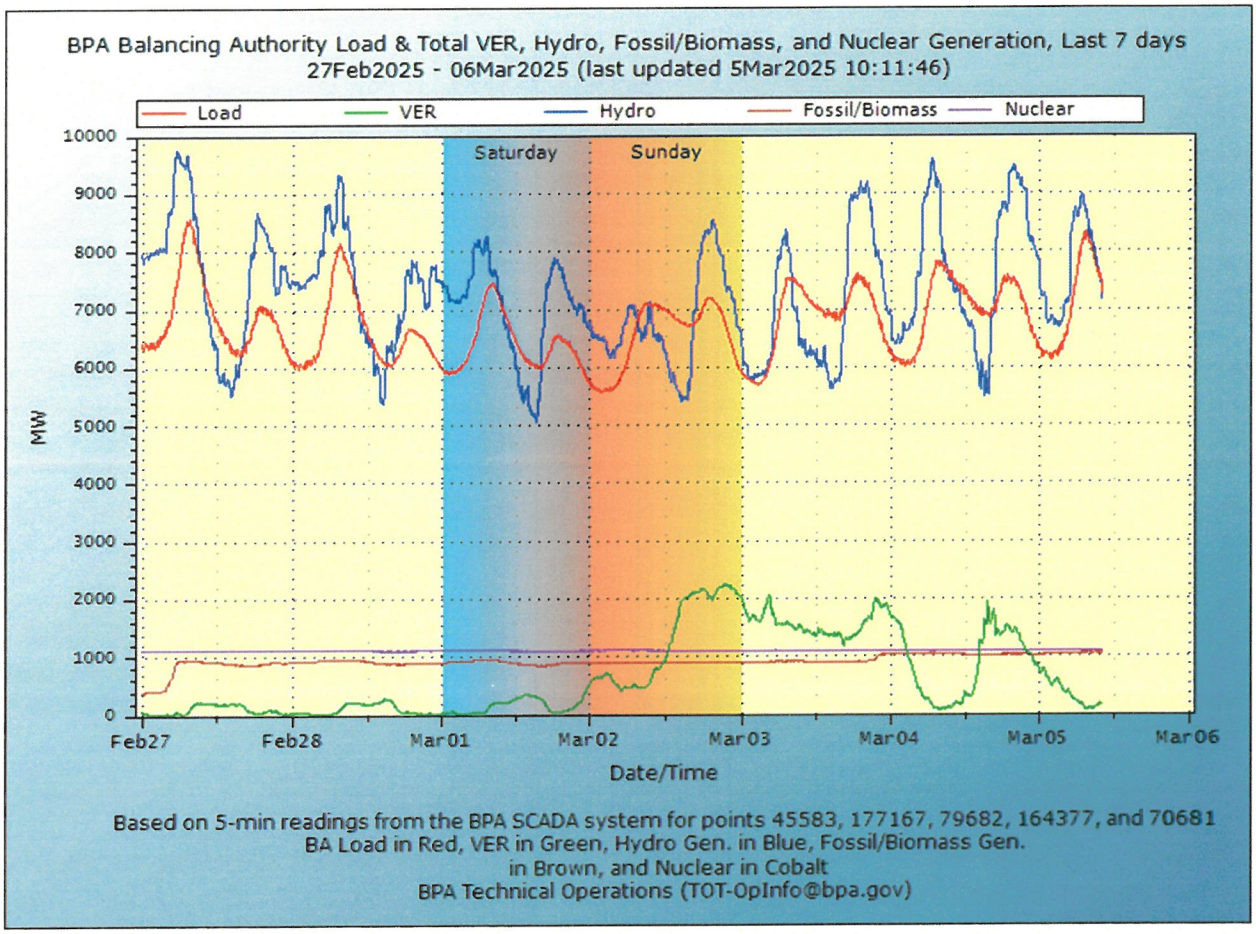
Unfortunately, the grid cannot run on intermittency. If electricity supply does not equal demand, the result will be catastrophic failure, commonly known as a "blackout."

Looking ahead, the PNUCC Regional Forecast predicts annual electricity deficits in the Northwest for ***every year*** over the next decade, culminating in a deficit of (11,036) average megawatts by 2033. This is a crisis caused by our choice of priorities.

By making carbon reduction the primary goal of the utility planning process, we've forced the early retirement of reliable fossil fuel plants. Most utility investments in Oregon now go to intermittent sources, which cannot get the job done.

This can be seen in the graphic below, taken from the BPA website on March 5. The nuclear, fossil and biomass generators provide steady "baseload" power. The regional hydro system is ramped up and down to ensure that electricity supply equals demand. But the wind and

solar plants, identified as “variable energy resources” or VER, fluctuate unpredictably. Since they can’t be relied on when needed, they are essentially irrelevant.



Decarbonizing the grid is technologically infeasible. We should admit the mistake, and rearrange priorities to ensure that before a dispatchable power source is shut down, the operating utility has an equally reliable source ready to go.

As a practical matter, that will mean re-legalizing natural gas, which is the only fuel that is widely available, at competitive prices, and is fast-starting enough to provide the balancing power that intermittent sources require.

Sincerely,

John A. Charles Jr.

John A. Charles, Jr.
President & CEO