Amazon Web Services, Inc. ▪ 1320 SW Broadway, STE 400, Portland, OR 97201

House Committee on Climate, Energy, and Environment
Oregon State Capitol
900 Court St. NE
Salem, Oregon 97301
March 6, 2025

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

Thank you for the opportunity to provide feedback on HB 3546. We commend Rep. Marsh, Climate Solutions, and the Citizens Utility Board for their work on behalf of residential customers. We look forward to continuing to work with Rep. Marsh and a wide range of stakeholders on language that mitigates the risks to other rate classes and equitably defines large energy use facilities.

Across the U.S., many state legislatures and public utility commissions have goals of increasing carbon-free energy availability and reducing costs to ratepayers. Amazon Web Services (AWS) is aligned with these goals, and provides input on policies and regulations impacting transmission build-out, interconnection rules, and carbon-free energy procurement.

AWS has been constructing and operating data centers in eastern Oregon since 2011 to serve our customers. Since 2012, we've invested $30.5 billion in the state and supported 7,400 estimated average full-time equivalent jobs at local businesses annually in eastern Oregon. In 2023, AWS contributed significantly to the local economy through property taxes and fee payments amounting to $54.2 million.

As our society relies on technology more than ever, global demands for energy and grid capacity continue to grow. This demand allows AWS to work closely with utilities and grid operators to plan for future growth and where we require specific infrastructure to meet our needs, we work to make sure that we're covering those costs and that they aren't being passed on to other ratepayers.

We're also working with utilities on innovative new agreements to keep rates comparably low and bring net-new carbon-free energy projects to the grid. For example, in 2023 AWS announced that we partnered with Umatilla Electric Cooperative in eastern Oregon to create an innovative solution to reliably power our data centers in the region. The agreement provides AWS greater involvement in choosing its power supply, including from carbon-free energy resources.

The U.S. power grid is undergoing a major transformation driven by factors like onshoring manufacturing, electrification of transportation, and expansion of digital infrastructure, as well as the transition to lower-carbon energy sources. However, the aging power grid infrastructure, much of which dates back to the 1960s and 1970s, is facing capacity challenges and was not originally designed for distributed renewable sources like solar and wind farms. Communities also need new sources of carbon-free energy to help meet growing energy demand while also addressing climate change.

As part of our Climate Pledge commitment, Amazon has invested in more than 600 renewable projects across the globe, is the largest corporate purchaser of renewable energy for five straight years, and in Oregon, we've committed to purchase more than 200,000-megawatt hours of carbon-free power each year from a Gilliam County-based wind farm. By investing in these projects, Amazon is helping fund new sources of carbon-free energy, which are helping decarbonize the grid in communities where our customers live and work.

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However, a significant bottleneck to bringing new carbon-free energy projects online is the interconnection process to the grid, which was not built to handle the large volume of projects being developed today. There is huge opportunity in Oregon to enable dozens of gigawatts of renewable energy currently stuck in the pipeline, but it can currently take up to 10 years to finalize and connect projects to the grid. To unlock these projects, it is important for transmission infrastructure and regional energy systems to modernize and expand quickly, and we are working closely with lawmakers and regulators to accelerate these changes.

More than a decade ago, when AWS announced the launch of data centers in eastern Oregon, we established a long-term commitment to being an active member in the local communities. We will continue to invest in order to help our customers become more agile and lower costs while continuing to enable jobs and economic growth in the state.

Thank you,

Shannon Kellogg
Vice President, AWS Public Policy-Americas