

Testimony in Support HB 3546 Jeff Bissonnette representing NW Energy Coalition March 6, 2025

Members of the House Climate, Energy, and Environment Committee:

Thank you for the opportunity to provide testimony in support of HB 3546, the POWER Act, which seeks to require the Oregon Public Utility Commission (PUC) to create new policies to treat large data centers and other big tech as a separate class of customers. This bill ensures that these large energy users pay their fair share for their energy use rather than shifting costs onto Oregon households and small businesses that are already struggling with rising energy bills and economic uncertainty.

Given their substantial energy usage and related costs, these large energy users need to have their impact on the energy system evaluated separately from existing customer classes: residential, commercial and other industrial customers. Ultimately, these data centers should pay for their own energy needs.

HB 3546 will help ensure that Oregon households from are not unfairly paying for the energy needs of data centers, cryptocurrency, and other big-tech users. Investor-owned utilities, which are the only utilities affected by the bill, will need to identify the costs that these large energy users are adding to the system—and have them pay their share. By creating a special category for these customers, regulators can protect other Oregonians from covering the cost of these businesses.

The demand for energy has been growing rapidly in Oregon for several years. This demand has been largely driven by the siting of major server facilities as part of the state's economic development efforts. This has led to a mass influx of very large energy users, putting a strain on our energy system and driving up costs for everyone. Therefore, this economic development approach needs to be aligned with energy regulatory policy.

The energy demand from data centers and other large big-tech energy users is creating a greater need to invest in our energy grid, but the cost is largely going to everyone else. HB 3546 will help state regulators assign these high costs to only those customers who are making them necessary in the first place.

HB 3546 will:

• Create a new customer class for data centers and cryptocurrency shops using at least 20MW

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- Protect families and small businesses from costs when bringing these new large energy users online
- Prevent risk for families and small businesses from paying for the costs of these large energy users

HB 3546 will require these new large energy users to:

- Sign contracts for at least 10 years to ensure expensive infrastructure investments are worth it
- Pay for a minimum amount of energy within a period of time, even if they use less energy than expected
- Pay an extra fee if they use too much, ensuring excess costs don't go to households

We need data centers and other large big-tech energy users to pay their fair share for their unique impact on the energy system. Their demand for energy is creating a greater need to focus on that impact, the costs of which is largely going to everyone else. HB 3546 will help the Oregon PUC assign these high costs to only those customers who are making them necessary in the first place.

Thank you again for the opportunity to testify in support of HB 3546. We urge you to move the legislation forward with a Do Pass recommendation.