

March 4, 2025

Oregon State Legislature House Committee on Climate, Energy, and Environment 900 Court St. NE Salem, OR 97301

RE: Support for House Bill 3546, Relating to large energy use facilities; declaring an emergency.

Dear Chair Lively, Vice Chairs Gamba and Levy, and, and Members of the Committee,

On behalf of the more than 55,000 members and supporters of the Sierra Club Oregon Chapter, we write in support of House Bill 3546, which will create beneficial change for the customers of Portland General Electric, Pacific Power, and Idaho Power by ensuring that the largest consumers of these utilities are paying their fair share of investment costs.

For many years, utilities have split the costs of the infrastructure investments evenly between their customers which has worked out pretty well. However, with data center energy usage growing at an alarming rate so has the strain on our energy grid causing utilities to increase costs for all users for grid enhancements. The increased use on our energy grid and energy consumption from data centers in the last ten years is equivalent to adding 406,000 people to Portland General Electric's system. This is in stark contrast to the actual growth of 60,800 people during that time. HB 3546 will correct this cost inequity by requiring regulators to create new policies to help Oregon households from paying for the energy needs of data centers, cryptocurrency, and other big tech.

This increased use has already contributed to a rise in rate payers costs over almost four times in the same ten year period between 2015-2024. Moreover, increasing regulatory oversight of the state's largest energy users will encourage more responsible energy consumption, improve grid resiliency, and promote a more just and sustainable energy system. Oregon has committed to a clean energy transition, and policies like HB 3546 help ensure that this transition is not only effective but also equitable.

It is critical that these industries contribute their fair share, as the infrastructure investments needed to support their growing energy use are currently being subsidized by households and small businesses. HB 3546 will ensure that state regulators equitably distribute these costs so that the ones driving demand are the ones paying for it. We urge your support for this bill to protect Oregon ratepayers and promote a more just and sustainable energy system.

Respectfully submitted,

Emily Bowes, Policy Strategist

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