



March 6, 2025

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

Subject: Support for House Bill 3546

Chair Lively, Vice-Chair Gamba, Vice-Chair Levy, and Members of the Committee:

The City of Portland supports House Bill 3546 that seeks to appropriately allocate the electricity costs for large energy users and mitigate risks to other customers, like residential customers and small businesses.

Energy demand is growing rapidly in Oregon, led by the influx of technology companies and big data centers. According to the Northwest Power and Conservation Council¹, data center and chip fabrication energy use in the Northwest is expected to grow to 3,976 average megawatts by 2029 under a “mid-case” scenario, up from a previous forecast of just 261 average megawatts. Already, we see that the costs of tech sector growth are not being equitably distributed across utility customer classes. For example, Portland General Electric shared that in 2024, base rates for industrial customers increased only 0.9%, despite power costs for industrial customers increasing 12.8%. Meanwhile residential power costs increased 7.6% with a base rate increase of 10.0%.²

Today in ratemaking at the Oregon Public Utility Commission, these data centers are considered industrial customers. HB 3546 seeks to reclassify and create a distinct customer classification for “large energy use facilities” that are primarily engaged in data processing, as defined by the North American Industry Classification System. The bill assigns the costs of serving these large energy users in a manner that is proportional to the costs incurred, including “the costs for transmission, distribution, energy and capacity, and any related costs of serving the class”.

¹ <https://www.nwccouncil.org/fs/18853/2024-4.pdf>

² <https://www.documentcloud.org/documents/25431540-senator-wyden-response-letter-nov-27-2024-maria-pope-portland-general-electric/>

HB 3546 presents a logical way to protect Oregonians and insulate vulnerable households, families, and small businesses from bearing the costs incurred by investor-owned utilities to serve large data centers with unprecedented demand for electricity.

Thank you for the opportunity to provide testimony. We appreciate your consideration of these comments and urge you to support House Bill 3546, the POWER Act, to “protect Oregonians with energy responsibility”.

Sincerely,



Keith Wilson
Mayor



Jamie Dunphy
City Councilor
District 1



Steve Novick
City Councilor
District 3



Olivia Clark
City Councilor
District 4



Mitch Green
City Councilor
District 4