March 7, 2025

Representative John Lively Chairman House Committee On Climate, Energy and Environment Oregon State Capitol 900 Court St. NE, Salem Oregon 97301

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

On behalf of Oregon Environmental Council and the organizations listed below, I write to express our strong opposition to House Bill 3247 (HB 3247). While HB 3247 ostensibly seeks to address the resource adequacy of the electricity system—a very real and significant challenge for Oregon's energy landscape—it does so in a manner that disregards existing oversight and makes it impossible for Oregon to achieve its statutorily required greenhouse gas emission reduction goals.

All Oregonians, including OEC and our co-signers, desire and benefit from a reliable electricity resource. Historically, the Pacific Northwest's abundant hydroelectric generation has provided such a resource—but not without exacting a price—a price paid for by the impoverishment and dislocation of Native American tribal culture, the near extinction of Chinook and Sockeye salmon and other iconic wildlife species like the Orca. Centralized electricity generation, particularly that originating from the four Lower Snake River dams, while economically efficient, has had dire ecological and human consequences.

Recognizing as much, you and your predecessors in previous legislatures have moved to diversify those electricity resources by enacting SB 1149, which recognized energy efficiency as a resource, SB 838 which established targets for renewable electricity generation, and most recently HB 2021, which put Oregon electric companies on the path to an emission-free resource stack. The bill before you, HB 3247, threatens that progress and the emission-reducing gains which these resources deliver.

These new generation resources are both significant and growing, bringing new economic development to rural and metropolitan areas, as well as the jobs and tax revenue that come with them. However, like the sun and wind which power them, these new resources are, with the exception of efficiency, more dynamic in nature and output—at least until Oregon can deploy ubiquitous utility-scale battery storage.

By defining the term 'reliability' and narrowly, as it does in Section 2 (b), HB 3247 could effectively prevent these new resources from being used to replace aging, thermal generation such as the coal and gas plants which currently supply power to the region. In addition to that power, these thermal plants can also produce particulate, nitrogen oxide and sulfur oxide pollution, and the greenhouse gases which are driving climate change and its associated impacts.

HB 3247 also directly conflicts with, and appears to supersede, existing oversight mechanisms, as well as the greenhouse gas emission standards established in HB 2021. As they have since 1989, electric companies are currently required to submit Integrated Resource Plans to the Public Utility Commission which already oversees them and requires them to provide for 'reliable' generation. First among the OPUC requirements for Integrated Resource Plans is the requirement that—

"<u>All known resources for meeting the utility's load should be considered</u>, including supply-side options which focus on the generation, purchase and transmission of power – or gas purchases, transportation, and storage – and demand-side options which focus on conservation and demand response.

Noticeably absent from this requirement is the 80% reliability standard HB 3247 seeks to impose.

Moreover, pursuant to the passage of HB 2021, electric companies are now required to develop and submit Clean Energy Plans (CEP) to meet their obligations to phase out greenhouse gas emissions. This planning process is grounded in community involvement so that the utility CEPs reflect the aspirations and goals of the communities the companies serve—whether they are decarbonization, resiliency, or reliability during our increasingly common natural disturbances like wildfires or atmospheric rivers, to name just two. As drafted, HB 3247 appears to force the OPUC to prioritize the arbitrary 80% reliability standard onto utilities, and over communities which are already engaged in clean energy planning.

Lastly, it should also be noted that HB 3247 would continue the fragmented, utility-byutility, site- by-site, planning process which burdens our power grid and communities today. Regional and state inter-utility planning, such as that envisioned in Representative Gamba's HB 3628, is a more comprehensive and potentially transformative solution to the resource adequacy challenges which the bill before you purports to address.

Please join OEC and our partners in opposing HB 3247.

Sincerely,

Jay Ward Interim Director of Programs Oregon Environmental Council













NW Energy Coalition for a clean and affordable energy future





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