

## To House Committee on Climate, Energy and the Environment Support for HB 3609 – Distributed Energy Services

March 10, 2025

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

My name is Dr. Pat DeLaquil. I am an energy system modeler and climate policy analyst, and I organize with MCAT (Mobilizing Climate Action Together), a community of volunteers working on advancing a healthy climate and a green economy for future generations.

Distributed energy resources (DERs), are small-scale energy generation and storage technologies connected to the electricity **distribution** system rather than the high-voltage **transmission** system. Because these resources are located near the point of electricity use, they provide system benefits that are becoming increasingly valuable, such as peak load reduction, demand flexibility, frequency regulation, voltage support and ancillary services. Most significantly, distributed energy resources defer costly upgrades to both our transmission and our distribution system, while improving local resilience to outages.

Distributed energy resources are deployed on the consumer side the meter and typically include things like rooftop solar panels, home battery storage systems, smart thermostats and appliances, and even electric vehicles. Generally, they help the grid more effectively balance electricity supply and demand by reducing peak loads by shifting consumption to off-peak times, and absorbing surplus clean energy and providing it, when needed, at peak times.

Distributed energy resources provide direct customer benefits, including reduced energy bills and increased operational resilience, such as batteries that provide backup power during grid outages. Distributed energy resources also provide direct benefits to electric utilities by reducing the need for new transmission lines and expensive infrastructure upgrades, and through grid support services. HB 3609 will pilot programs that will allow consumers to participate in demand response programs and for the utilities to evaluate and properly value their grid services.

HB 3609 will also facilitate Distributed Power Plants (DPPs), which are a concept where multiple distributed energy resources are aggregated and managed as a single entity, allowing for greater control and flexibility in grid operations.

HB 3609 will require each electric company to (1) develop and file with the Public Utility Commission a **distributed power plant program** that provides all customers of the electric company a standard offer, open-access tariff for grid services that are provided by distributed energy resources; and (2) develop and use a schedule of compensation and terms that are based on the grid service provided and the class of distributed energy resource technology that is providing the grid service. **Eligible services** include: (a) System-wide peak load reduction; (b) Local peak demand reduction; (c) Provision of zero emission electricity to meet peak demand; (d) Avoidance or deferral of transmission or distribution upgrades or capacity expansion and (e) other location-specific grid services such as voltage support and emergency services. The bill allows customers to enroll directly or through an aggregator in the electric company's distributed power plant program.

Finally, by creating a mechanism for valuing distributed energy resources, HB 3609 will create good paying jobs across the state in communities where distributed energy resources are deployed.

I urge you to support HB 3609. Distributed power plants are off-the-shelf technologies that provide significant grid benefits, while also saving energy costs for Oregon families and small businesses. Importantly, distributed energy resources will help Oregon meet its clean energy policy goals while enabling greater energy resilience and self-sufficiency. Finally, the cost savings from reduced investments in transmission and distribution system upgrades will accrue to all ratepayers.

Thank you for listening.

Dr. Pat DeLaquil  
Gresham, OR

