

March 18, 2025

Chair Sollman Senate Committee on Energy and Environment Oregon State Capitol Salem, OR 97301

Re: SB 634 - Opposition

Chair Sollman and Members of the Committee,

Climate Solutions writes in opposition to SB 634. Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis.

Oregon has long been a leader in developing climate policy. Our state has developed ambitious clean energy policies, from the formation of the statewide greenhouse gas reduction goals, to creation of the Global Warming Commission, the Oregon Renewable Portfolio Standard (RPS) almost two decades ago, the phase out of coal generation, and passage of HB 2021 (100% Clean Energy for All).

When the RPS bill first passed in 2007 to require 25% renewable electricity by 2025, and again, when it was strengthened in 2016 to require 35% renewable electricity by 2030 and 50% by 2040, there was vigorous debate about what should be included as a qualifying renewable energy resource. At both of those times, the legislature explicitly decided to *exclude legacy generation that was built before 1995*, including the Bonneville Dam and other hydroelectric projects. The intent behind the RPS bills was to accelerate installation of <u>new</u> forms of renewable electricity, primarily in the form of wind and solar, but also including biomass, geothermal, wave, tidal, and certified low-impact hydroelectric facilities. In addition, upgrades to existing hydroelectric facilities that increase the amount of electricity generated from the hydro facility and that were made after 1994 also qualify under the RPS.

In virtually every legislative session since 2007, bills have been introduced to add legacy hydro facilities as a qualifying resource under the RPS. The Legislature has rejected all of those efforts for good reason. If legacy hydro were to be added, the percentage of renewable electricity required under the RPS would need to be increased by a proportionate amount. Otherwise, the ramping benefit that is integral to the RPS would be rendered null. According to ODOE, legacy hydro currently accounts for around 34% of the Oregon electricity mix. So if legacy hydro were to be added as a qualifying resource under the RPS, it would require the percentage of renewable electricity to increase from 35% to 69% by 2030, and from 50% to 84% by 2040.

In addition, the passage of HB 2021 further changed the backdrop for renewable energy generation in Oregon. It requires Oregon utilities to achieve an 80% reduction in GHG emissions by 2030 and 100% reduction by 2040. Legacy hydro is included as a qualifying clean (non-emitting) resource for that purpose. In the context of the overall clean electricity mix in Oregon, legacy hydro is a key contributor. But for purposes of the RPS, which again was intended to accelerate new forms of renewable energy generation, it is not.

The legislature has carefully crafted clean and renewable energy policy in Oregon over the past 20 years. There is no reason to upset that apple cart now. Oregon's RPS is intended to accelerate new renewable energy development, which is needed now more than ever to cope with projected load growth, and not to be a check-the-box accounting maneuver for legacy hydropower.

We urge you to oppose SB 634. Thank you for your consideration of these comments.

Sincerely,

Joshua Basofin

Joshua Basofin Clean Energy Program Director Climate Solutions