

April 1, 2025

Representative Jason Kropf House Judiciary Committee 900 Court Street NE Salem, Oregon 97301

RE: Letter of Support for HB 3917, Wildfire Fund

Dear Chair Kropf and Members of the Committee,

Economic Development for Central Oregon (EDCO) supports HB 3917, which creates a wildfire fund as an alternative to civil litigation, protecting utility assets with a reliable compensation source for individuals and communities.

Reliable power utilities are essential to economic development, especially with growing demand from emerging technologies like data-driven devices, electric vehicles and AI. To stay competitive Oregon needs critical infrastructure investments in energy. In order to justify these investments, however, utilities need operational stability. House Bill 3917 helps provide that assurance. Oregon lacks policies that ensure timely recovery for fire-impacted individuals and communities. HB 3917 creates a fund, capped at \$800 million, with a 3% tariff – to be approved by the PUC – not to exceed 10 years. While a 3% tariff might seem high, it is more cost-effective than the ongoing legal fees utilities incur from protracted court cases. For example, one utility paid \$6 million per plaintiff, despite being cleared of fire responsibility after four years. This fund, while not a liability waiver (if found negligent in causing a fire, utility shareholders would be required to reimburse the fund), will help utilities be more proactive and less reactive.

If we want utilities to remain strong community partners, supporting our carbon goals and meeting energy demands, we need to explore creative solutions that mitigate risks and ensure long-term stability.

EDCO is a private, non-profit organization serving the tri-county region of Crook, Deschutes, and Jefferson Counties. Our mission is to promote sustained job creation and prosperous communities through traded-sector industry growth. Our client base includes some of the highest paying companies, which contribute a significant percentage of the tax base in Central Oregon.

Economic Development for Central Oregon

705 SW Bonnett Way, Suite 1000 Bend, OR 97702

541.388.3236 www.edcoinfo.com



We hope you will join us in supporting HB 3917. If you have any questions regarding my comments, please feel free to reach out to me directly. We appreciate the opportunity to share our perspective.

Sincerely,

Start

Jon Stark, CEO Economic Development for Central Oregon

Economic Development for Central Oregon

705 SW Bonnett Way, Suite 1000 Bend, OR 97702

541.388.3236 www.edcoinfo.com