



April 2, 2025

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

Re: Support for HB 3653

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

Climate Solutions is a regional non-profit working to accelerate clean energy solutions to the climate crisis.

**We support HB 3653 as an important tool in decarbonizing public buildings.**

Energy use in buildings is the second largest source of emissions in Oregon, and is a critical target for efficiency and decarbonization if we are going to meet our climate goals. Public buildings have an important role to play in meeting our goals, and modeling energy efficiency, electrification, and other energy improvements.

As this committee has heard before, planning and implementing energy efficiency measures can be complicated. ESPCs are an important tool for reducing that complexity and helping our state agencies and public entities lead the way on energy efficiency and decarbonization. By streamlining the planning and implementation of energy improvement projects into a single qualified contractor, public agencies will save time and taxpayer dollars, while ensuring they are maximizing benefits of their projects.

**Our state agencies sorely need more and better tools to improve their energy performance.** In the latest report on [State Energy Efficient Design](#) (SEED), of the 309 state agency buildings participating, 154 buildings did not achieve their energy performance targets.

Oregon's Energy Savings Performance Contract (ESPC) method is a voluntary pathway for helping public entities finance energy efficiency upgrades. **ESPCs are an important tool for energy efficiency projects, which can help Oregon to decarbonize public buildings at lower upfront cost, and with less administrative burden in planning and implementing energy efficiency measures.**

Unfortunately, ESPCs are not often used by our public entities due to existing rules and administrative burden. HB 3653 will streamline the procurement process and expand the eligible

scope of projects and the cost-effectiveness framework to account for the technological improvements in the energy efficiency landscape since 2008.

HB 3653 will help us keep up with our peers in Washington and Colorado and the Federal Department of Energy, to maximize opportunities for energy efficiency projects, meet our state's decarbonization goals, and work towards the significant backlog of deferred maintenance in the state.

Sincerely,

Claire Prihoda  
*Buildings Policy Manager*  
*Climate Solutions*