



April 8th, 2025

Oregon State Legislature  
Senate Committee on Energy and Environment  
900 Court St. NE  
Salem, OR 97301

**RE: Support for SB 1102**, Relating to a public finance task force; declaring an emergency.

Dear Chair Sollman, Vice Chair Brock Smith, and members of the Committee.

On behalf of the more than 55,000 supporters of Sierra Club Oregon Chapter, we write in support of Senate Bill 1102, which will provide critical updates to HB 2021. The Oregon Chapter of the Sierra Club is a non-profit, member-supported, public interest organization that promotes conservation of Oregon's natural environment by influencing public policy decisions—legislative, administrative, legal, and electoral. Our Chapter has over 16,000 members. Sierra Club Oregon strongly advocated for the passage of HB 2021, which was a watershed moment for Oregon that firmly established our state as a climate leader. Through HB 2021, we set some of the most aggressive greenhouse gas reduction targets in the country and ensured that communities would be centered in the energy transition.

When HB 2021 was passed, there was broad support, including from the electric utilities, for the bill. Unfortunately, utility enthusiasm for the bill's passage has not matched their enthusiasm for implementation. Since 2021, Sierra Club Oregon has been actively engaged in HB 2021 implementation before the Oregon Public Utility Commission and in other forums. Based on this experience, I can say that our electric utilities are not making the progress towards reducing their emissions that supporters of HB 2021 would have hoped. In the four years that have passed since HB 2021's passage, our electric utilities have still not taken the necessary steps to reduce their greenhouse gas emissions by 80 percent by 2030, let alone the 90 percent reduction by 2035 and 100 percent reduction by 2040.

The heart of HB 2021's emission reduction requirements is for electric utilities to acquire new, clean energy resources that can displace their reliance on fossil fuels. Yet, both PGE and PacifiCorp are slow-walking their clean energy acquisitions, something that was not anticipated when HB 2021 was being debated and ultimately passed. While PGE's first Clean Energy Plan forecasted significant clean energy procurements to meet its emission reduction targets, when the utility actually issued a request for proposals for those energy projects, the request was for a much smaller quantity of clean energy. PGE, then, received approval from the Commission for its Clean Energy Plan—and then failed to implement it.

PacifiCorp is worse still. The utility canceled its 2022 "request for proposals" in the 11th hour, even after clean energy producers had made bids, did not move forward with a previously anticipated 2024 request for proposals, and is now indicating that the only clean energy acquisition that it will initiate in 2025 will be for small-scale resources, which under HB 2021 must be 20 megawatts or fewer. Small-scale clean energy resources support resiliency and bring more of the benefits of clean energy directly into hosting communities. But, alone, they are not enough to ensure that PacifiCorp's emissions substantially fall by 2030.

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# SIERRA CLUB

## OREGON CHAPTER

The Public Utility Commission is directed to oversee HB 2021 implementation, and while the Commission has been critical of the utilities' failure to act, to date, the Commission has not directed corrective action. A very clear example is a recent Commission proceeding concerning PacifiCorp. After concluding that PacifiCorp had failed to demonstrate that it is making continual progress towards reducing its emissions in line with HB 2021, as is required by the Act, the Commission opened a new proceeding (UM 2345) to consider what directives the Commission should order to ensure compliance. After six months of process, the Commission issued an order that contained no requirements on PacifiCorp to meet its HB 2021 obligations. Instead, the Commission directed PacifiCorp to come back to the Commission in June if the utility fails to issue a request for proposals. The Commission did not impose any requirements on what the request for proposal must contain or even that it be designed to meet HB 2021 obligations. In sum, the Commission delayed imposing any requirements on PacifiCorp and it remains entirely unclear whether the Commission will ever direct necessary actions to achieve HB 2021 compliance.

As is clear, without marked changes to HB 2021 and its implementation, it is highly likely that the utilities will miss their greenhouse gas reduction targets. If the utilities fail to take action soon, it will be too late. When 2030 comes and goes without the utilities meeting their emission reduction targets, there will be no meaningful remedy for their inaction. SB 1102 is not a silver bullet, but it would address some of the most challenging issues that stakeholders have faced in implementing HB 2021. First, SB 1102 will establish interim greenhouse gas reduction targets prior to 2030, specifically at least a 50% reduction by 2028. This change can help ensure that the utilities take action now to start reducing their emissions instead of waiting "just in time" before 2030.

Second, SB 1102 will clarify that a utility can demonstrate continual progress towards the emission reduction targets by procuring sufficient nonemitting resources to meet the emission reduction requirements and no more than a 20% variance in any given year from a straight line greenhouse gas emission reduction. Under HB 2021, utilities are required to demonstrate continual progress, but HB 2021 did not provide a definition and the Public Utility Commission has yet to do so. This change will clarify that demonstrating continual progress means actually procuring clean energy resources necessary to reduce emissions. Third, SB 1102 will establish mandatory penalties for noncompliance to deter utility inaction. HB 2021 did not include a provision for penalties and the Commission has declined to issue penalties, even as the utilities fail to make progress. Fourth, SB 1102 will require emissions transparency by requiring the electric utilities to report and track all emissions associated with serving Oregon customers.

Finally, SB 1102 will require the retirement of Renewable Energy Certificates, or RECs, which will ensure that the clean energy used for Oregon customers is not double counted by other energy users.

Respectfully submitted,  
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