

March 4, 2025

Chair Kayse Jama Vice-Chair Daniel Bonham Senate Committee on Rules Oregon State Legislature 900 Court St NE Salem, OR 97301

Dear Chair Jama, Vice-Chair Bonham, and members of the Senate Committee on Rules,

On behalf of the LOC, I am pleased to offer our strong support for Senate Bill 88 – Transparency in Rates Act. The LOC represents 241 diverse and unique cities across Oregon that support actions to maintain affordable and reliable energy resources and build resilient communities. This includes recognizing the limits on the broad range of expenses that electric and gas companies recover from rate payers.

It's no surprise that energy rates have increased dramatically in recent years and too many Oregonians have struggled paying their energy bills, let alone afford groceries, medicines, and other housing costs. In 2024, the number of utility disconnections for energy burdened households rose to record highs.

Cities must be transparent on our utility costs. We do not have the luxury of being able to spend ratepayer dollars on "travel, lodging, entertainment," or political influence activities, lobbyists because it should and would be an unacceptable use of rate payer dollars. Nor should those activities come at the cost of a ratepayer being disconnected due to nonpayment because of record high utility rates.

SB 88 does not prohibit these activities. Utilities, just like local governments, may still participate in lobbying efforts or advertising to exercise first amendment rights. Like utilities, local governments have other means of raising revenue that contribute to those activities and others while not burdening ratepayers.

We do not believe that utility rates should pay for certain activities. Ratepayers should not be the ones to subsidize political activities, advertising, travel expense, or political influence activities through their utility rates and risk disconnection if they cannot afford to pay. Ratepayers have the right to know what their utility rates are going to and be assured their rates are directly paying for necessary maintenance, upgrades, and investments that are vital to ensuring they have reliable energy.

The LOC strongly urges this committee to support and pass SB 88 so that we can ensure that Oregonians understand where their ratepayer dollars are going while maintaining affordable and reliable energy and gas. Thank you for your time and your consideration of this measure.

Sincerely,

Nolan Pleše Lobbyist, LOC

