



**Portland General Electric**

121 SW Salmon Street • Portland, OR 97204  
portlandgeneral.com

Representative Ben Bowman, Chair  
House Committee on Rules  
900 Court St. NE  
Salem, OR 97301

May 8, 2025

Re: PGE Neutral on House Bill 3179 with the - 8 Amendment

Dear Chair Bowman, Vice Chairs, and members of the committee,

Portland General Electric customers count on us every day for the energy they need. It is our privilege to serve them and our obligation to ensure they have access to electricity. As we work to modernize and strengthen the grid, meet society's rapidly growing demand for electricity, advance the clean energy transition, protect the grid against increasing cybersecurity threats, and prepare and protect against unpredictable and extreme weather including the risk of catastrophic wildfires from all causes, Portland General Electric is focused on affordability for customers. PGE has been, and remains, committed to working with all stakeholders to address this complex challenge to best serve customers.

PGE had significant concerns about the introduced version of HB 3179. Since that time, PGE has been involved in detailed conversations with the Citizens' Utility Board and other stakeholders. The current version of HB 3179 with the -8 amendment is a more focused and workable bill that PGE believes can be implemented, even if we remain concerned about specific elements of the bill.

If enacted, HB 3179 with the -8 amendment will mark a major change to regulated utility ratemaking in Oregon. It will increase obligations on utilities to provide regulators with economic analysis to consider when they evaluate utility rate requests; establish multi-year rate plans for gas and electric utilities; limit residential rate increases during winter months; enable financing of certain one-time utility costs to avoid large one-off cost impacts; and provide more information for customers about how their rate dollars are spent and how rates are expected to change. Implementation of the bill will require extensive rulemaking at the Public Utility Commission of Oregon, and leaves significant, complex questions to that process.

Utility costs continue to be primarily driven by the rising costs to purchase necessary power from the open energy market to serve customers, and secondarily by the costs of capital investments to maintain and harden the grid, provide reliable power, and drive toward our shared clean energy future. Power costs, which PGE has limited options to control and are necessary to maintain reliable service to customers, have nearly tripled in the past five years. Like other sectors, we are not immune to the dramatic cost increases for equipment, materials, and labor in recent years. Further, without significant policy changes to address the risks of catastrophic wildfire for utilities in Oregon, mitigation spending, insurance and capital costs will continue to drive upward pressure on customer prices.

We appreciate the discussions and process with stakeholders over the last two months. Thank you for considering our testimony.

Sincerely,

Kristen Sheeran  
Vice President, Policy and Resource Planning