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Testimony regarding SB926

Chair Kropf and members of the House Committee on Judiciary:

As I have noted previously, Southern Oregon Climate Action Now is the oldest grassroots climate organization in the Rogue Valley and represents some 2,000 Southern Oregonians who are concerned about the climate crisis and seek federal, state and local action to address it. We are rural and coastal Southern Oregonians who live on the frontlines of the warming, reducing snowpack, heatwaves, drought, rising sea level and the increasing wildfire risk that these trends conspire to impose on us. Because of our concern, we pay close attention to efforts nationally, statewide, and locally that impact our collective efforts to address the climate crisis. As our logo above indicates, the focus of SOCAN is to promote action through science while encouraging that this be undertaken through a social justice lens.

CEPP (2024) reported that: "...wildfires ignited by electric infrastructure have caused devastating damage and created billions of dollars in liability..." Brown (2025a) pointed out that: "As climate change drastically increases the frequency and severity of wildfires, power companies say they're facing growing risk for payouts that could bankrupt them or require massive rate hikes on customers."

Now we learn the utilities are seeking to shield themselves from liability for wildfires caused by their equipment and/or negligence (e.g., Brown 2025b, Merzbach 2025a). Meanwhile, some states are seeking to shield the utilities from responsibility (e.g. Merzbach 2025b).

There can be little doubt that the transmission lines of electric utilities have been implicated in causing wildfires. As WFCA (2024) reported: "Between 2016 and 2020, electrical power networks caused 19% of the wildfires that occurred in those five years." They also offer the encouraging advice that: "Power lines can ignite wildfires in several ways, all of which can be prevented through proper mitigation tactics."

Given the evidence that utilities have been responsible for initiating severely damaging wildfires, the question arises as to who should be liable for the financial costs incurred by residents for the wildfires that utilities cause? The concept of economic externalities involves the principle that corporations can enhance their profits by externalizing the costs that they

would incur if they avoided behaviors that imposed costs on others. The first question in relation to utility-caused wildfires is: should the utility be liable or should the public be liable? If this question is answered in terms of the utility, the second question is: should utility customers be liable or should those profiting from the corporate behavior (officers and shareholders) be liable?

Since the customers of utilities are not responsible for the management decisions that utilities make, it seems clear that these ratepayers should not be held liable for subsidizing the utility liability in situations where culpability has been clearly and judicially assessed against the utility.

For the above reasons Southern Oregon Climate Action Now urges support for SB926.

**Respectfully Submitted** 

Alan Provent

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