



SB 926A Jeopardizes Affordable, Reliable Electricity

The risk of severe wildfire affects every Oregonian, and this session, legislators are grappling with a range of proposals to help our state navigate this complex and difficult issue. SB 926A moves Oregon in the wrong direction. The bill would:

- Increase costs for utility customers
- Jeopardize energy reliability
- Threaten the state's clean energy progress and targets
- Discourage settlements with those affected by wildfires

While causing real harm, SB 926A is not necessary to achieve its purported aim - preventing cost recovery by utilities for wildfire negligence. The Public Utility Commission only allows recovery of costs prudently incurred and is required by law to protect customers and the public from unreasonable and unjust costs, including fines and penalties.

SB 926A Increases Costs for Oregonians

Investor-owned utilities bring low-cost capital from national capital markets (debt, equity, and insurance) to provide an essential service at lower prices. SB 926A will raise the cost of capital for Oregon utilities, making maintaining, upgrading, and hardening the grid more expensive. Higher costs of capital means energy bills will rise.

SB 926A Threatens Energy Reliability

Sweeping changes in SB926A will also challenge utilities' ability to invest in the grid, threatening reliable service. The higher costs driven by this legislation would strain utilities' ability to maintain, upgrade, and expand the electrical infrastructure that serves our communities and economy.

SB 926A Jeopardizes Oregon's Clean Energy Targets

Increasing the cost of capital puts Oregon's landmark clean energy goals at risk. Higher capital costs driven by this legislation will hamper utilities' ability to invest in clean energy and modernize the grid. Clean energy developers are already growing concerned about investing in Oregon because of growing wildfire risk and liability, and SB 926A will only escalate that problem.

SB 926A Discourages Settlement of Wildfire Claims

The bill prohibits cost recovery of settlements even when the utility may have had no role in the fire, such as when a fire investigation is incomplete and no cause has been established. This will lead to fewer settlements with those affected by wildfires, cutting off a potential path to more timely compensation than relying on the court system.

SB 926A Could Bankrupt Utilities

SB 926A creates a substantial threat of utility bankruptcy in the event of a judgement, due to the financial handcuffs imposed by the bill. A utility bankruptcy would drive up borrowing costs further, stop investment

in serving economic development and procuring clean energy, and put the utility under control of a bankruptcy court, not Oregon regulators.

SB 926A shakes the foundations of Oregon's safe, reliable energy landscape and clean energy goals. This legislation would increase costs for Oregonians even before a fire, compromise power reliability, jeopardize climate objectives, and potentially trigger a future utility bankruptcy. Please oppose SB 926A.