



**Portland General Electric**

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Representative Jason Kropf, Chair  
House Judiciary Committee  
900 Court St. NE  
Salem, OR 97301

May 14, 2025

**Re: Senate Bill 926A**

Chair Kropf, Vice-Chairs Chotzen and Wallen, and members of the committee:

Thank you for the opportunity to share Portland General Electric's concerns with SB 926A.

Portland General Electric is proud to be an Oregon company and Oregon's largest provider of electricity. We serve two-thirds of the state's commercial and industrial activity and residential customers across seven counties and 51 incorporated cities.

We want to start by acknowledging the testimony of the victims of the tragic wildfires of 2020 who have shared their experiences before the committee. Their stories are a stark reminder of what is at stake as we plan and operate our system at PGE. The safety and wellbeing of the communities we serve is our paramount responsibility. We operate high voltage equipment across vast and increasingly fire prone landscapes. PGE has developed and implemented a robust wildfire prevention program, which is recognized as industry-leading, and which is detailed in our Wildfire Mitigation Plan approved by the Oregon Public Utility Commission.

It is important to note that PGE has never had a negligence claim or finding with regard to catastrophic wildfire on our system or due to our operations. We continue to enhance our wildfire mitigation plans and activities in response to evolving conditions and industry best practices.

We fully support raising and clarifying the standards utilities should meet to keep communities safe, and to verify and hold utilities accountable if they do not take the appropriate actions to meet those standards. That is why PGE strongly supports creating a safety certificate process as outlined in HB 3666 under consideration this session.

**We have concerns that SB926A will lead to unintended consequences for PGE and PGE's customers, even if a wildfire never occurs.** The bill introduces limitations on utility actions and finances that are unprecedented, including in all the Western states that have advanced utility wildfire policy this year.

Investor-owned utilities are designed to bring low-cost private capital (debt, equity, and insurance) to build infrastructure and deliver an essential service for the health and wellbeing of Oregonians and the economy, while being heavily regulated, in rates and earnings, by the state. We have a mandate to serve everyone in our service territory on a nondiscriminatory basis, including people and businesses located in high fire risk areas.

Historically, utilities were considered relatively safe investment, but growing wildfire risk has changed that risk assessment for Oregon. SB 926A adds to the investment risk for potential investors. As these risks grow, so does the cost of borrowing or obtaining capital, which in turn,

raises the cost for necessary investments in Oregon and customer prices as a result. We need to maintain a regulatory environment in Oregon that enables us to attract the capital necessary to invest in safety, resilience, and growth – without placing an undue burden on customers or undermining confidence in Oregon as a place to invest.

If a primary goal of SB 926A is to ensure that utility customers are not burdened with costs resulting from utility negligence caused wildfires – we agree. Under current law, the OPUC already has authority to limit a utility's ability to charge customers for legal fees, damages, fines or penalties or even rebuilding costs from a wildfire when a utility is found to have been negligent.

We also agree that the families, individuals, and communities affected by catastrophic wildfires deserve confidence that utilities will retain the capacity to pay damages resulting from court judgements. If this is the intent of Section 3, we believe this can be achieved through more balanced mechanisms, including bonding and/or creating a requirement that the utility maintain a credit rating at investment grade. The OPUC already oversees changes in corporate structure or sales of assets in most circumstances. The Legislature could further direct the OPUC to consider the utility's ability to repay existing court judgements before authorizing any changes in corporate structure or asset holding.

SB926A also fails to recognize that settlements, often made without admitting fault, can be the most prudent and beneficial resolution for wildfire victims and utility customers. Under SB 926A, the utility would be barred from recovering those settlement costs, even when settling is the most prudent, responsible option for victims and all parties involved. This provision could have unintended consequences by creating a disincentive for settling with affected parties and providing timely recovery.

At PGE, our focus is on prevention and working cooperatively with the state and communities to do everything we can to avoid ignition from utility equipment causing catastrophic wildfire in the first place. That is why we are urging the Legislature this session to work with us to raise the standards, hold us accountable, and to advance statewide strategy to reduce wildfire risk comprehensively.

**We respectfully ask you to consider the unintended consequences of SB 926A for Portland General Electric customers. We look forward to continuing our work with legislators, regulators, and our communities to provide exceptional service in the face of growing wildfire risk.**

Sincerely,

Kristen Sheeran  
Vice President, Policy and Resource Planning