



Chair Sollman, Vice-Chair, and Members of the Senate Energy and Environmental Committee:

On behalf of the ZERO Coalition, we are writing in strong support of SB 1582, Virtual Power Plants (VPPs).

The ZERO Coalition is a statewide alliance committed to advancing clean, efficient, and equitable buildings in Oregon. Our Coalition is 55+ members strong and includes architects, builders, policymakers, utilities, non-profits, and industry stakeholders. Our mission is to accelerate the adoption of energy-efficient technologies and equitable clean energy solutions while ensuring safety, consumer protection, and long-term affordability.

SB 1582 strongly aligns with our mission to lower energy costs, strengthen reliability, and build a more resilient energy system for all Oregonians.

Virtual Power Plants are a practical, near-term solution to rising energy bills and grid reliability challenges. A VPP is a network of customer-owned energy resources, such as battery storage, smart thermostats, electric vehicles, and rooftop solar, that are coordinated to support the electric grid like a power plant. Instead of building expensive new infrastructure that ratepayers fund for decades, VPPs use equipment that is already installed in homes and businesses.

This is especially important for affordability. Oregon families and small businesses are already feeling the strain of higher utility bills. By reducing electricity use during peak demand times, VPPs help utilities avoid or delay costly grid upgrades and new power plants. Those avoided costs benefit all ratepayers. Customers who participate are compensated for sharing stored energy or reducing use when the grid is stressed, and the system as a whole operates more efficiently and at lower cost.

SB 1582 represents smart, accountable energy policy. The bill directs utilities to:

- Use open, standard tariffs
- Pay for measurable performance
- Prioritize lower-cost customer-based solutions before investing in new infrastructure

This ensures ratepayer dollars are spent wisely and transparently.



From an equity standpoint, this policy is critical. Low-income and rural households often spend a much larger share of their income on energy. They are also more vulnerable to extreme heat, wildfire smoke, and power outages. Well-designed VPP programs can help these households access technologies that provide bill savings, improved comfort, and even backup power during outages, benefits that go beyond energy alone.

SB 1582 is also aligned with Oregon's Energy Strategy, which calls for using customer-based energy resources to lower costs and keep the grid reliable. VPPs have already helped prevent blackouts in other states during extreme heat and have met peak demand faster and at lower cost than traditional infrastructure.

As Oregon continues to grow, we have an opportunity to ensure our buildings are not only efficient and healthy, but also part of the solution to keeping energy affordable and reliable.

For these reasons, the ZERO Coalition urges your support of SB 1582.

Thank you for your leadership and consideration.

Sincerely,
ZERO Coalition