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February 20, 2020

The Honorable Paul Holvey  
Chairman, House Committee on Rules  
900 Court St., NE  
Salem, OR 97301

RE: House Bill 4167 – Letter of Support

Dear Chair Holvey,

PacifiCorp is an integrated electric utility serving 1.9 million customers in six states across the Pacific Northwest and Rocky Mountain regions. In Oregon, we operate as Pacific Power and serve approximately 615,000 customers. We proudly serve a diverse array of communities across the state - from Astoria to the Willowa Mountains, and from Downtown Portland to Lakeview. As the state's largest rural electricity provider, the broad geographic, economic and cultural diversity of our communities helps us recognize the challenges faced by Oregon's leaders in attempting to achieve the most conscientious and balanced policies addressing greenhouse gas reduction.

Tremendous progress towards the decarbonization of Oregon's electricity sector is already underway. Our company has more than 1,500 megawatts of new wind generation currently under construction, including new wind projects as part of the company's Energy Vision 2020 initiative. PacifiCorp's latest resource plan also has 7,000 megawatts of new renewable energy resources and energy storage across the region by 2025. This includes over 800 megawatts of customer-directed wind and solar projects we have enabled through their partnership in our voluntary renewable program, as well as early closures of coal units. These investments will further our company's role as a national leader in the move toward clean energy resources.

This progress is aligned with Oregon's foundational electricity-sector related policies Pacific Power and other stakeholders have supported, in particular the Oregon Renewable Energy Standard (2007), the Oregon Emissions Performance Standard (2009), and the Clean Energy and Coal Transition Act (2016). As Pacific Power evaluated the impact of a statewide cap and trade program as reflected in House Bill 4167, our core principles included:

- New, duplicative costs to electricity customers should be avoided;
- New state policies must be consistent with, and complimentary to, existing policy and regulations; and
- Costs and risks associated with state policies must be borne by the customers of that state and not shifted to customers in other jurisdictions.

Above all else, adopting a new statewide climate change regulatory structure must not set back the already transformational efforts currently in motion that most cost-effectively meet our customers' needs for affordable, reliable, safe, and increasingly clean electricity. After careful examination of House Bill 4167, this legislation - as introduced - meets these core principles for our Oregon electricity customers.

We know that Oregon's economy, and the rural economy in particular, is energy price sensitive. Residents need stable, low-cost electricity to maintain their standard of living and avoid increasing their personal energy burdens. We are pleased that House Bill 4167 acknowledges that Oregon's electricity sector is already decarbonizing and supports future emissions reductions in an economically rational way.

We appreciate the work that has gone into this legislation and the fact that it balances the need to move Oregon forward on climate without adding undue costs for customers and communities through higher electricity bills.

Sincerely,

A handwritten signature in black ink that reads "Scott D. Bolton". The signature is written in a cursive, flowing style.

Scott D. Bolton  
Senior Vice President, External Affairs & Customer Solutions  
Pacific Power