April 6, 2021

The Honorable Pam Marsh
Chairman, House Committee on Energy and Environment
900 Court Street NE
Salem, OR 97301

RE: House Bill 2021 -5 amendment – Letter of Support

Dear Chair Marsh,

Thank you for the opportunity to write in support of House Bill 2021-5. I hope to provide you the perspective of how this legislation would benefit the hundreds of communities, and hundreds of thousands of customers we proudly serve across Oregon.

First, I want to recognize the tireless contributions and impressive leadership of my colleague, Oriana Magnera. Through long, and often arduous negotiations on this legislation, Oriana was a steady hand who brought disparate interests together and forged an uncommon coalition. I am personally deeply appreciative for her thoughtfulness and partnership through this process.

As you know, Pacific Power serves about 620,000 customers across Oregon and is the state’s largest rural electricity provider. Our communities represent the geographic, cultural, and economic diversity of our state. As we continue the race to decarbonize Oregon’s electricity sector, we must deliver on our fundamental mission to provide safe, reliable, affordable, and increasingly clean electricity to our customers, and ensure everyone has access to this essential service.

HB 2021-5 is a Clean Energy Standard that will ensure the steady reduction of Oregon’s electricity-sector greenhouse gas emissions. This is a clear strategy that ensures all the decarbonization tools available to us are used in the most effective way to achieve our targets at the least-cost possible. The benefits of this legislation are broad:

- Because a Clean Energy Standard relies on the full suite of decarbonization approaches, this legislation will support the growth of energy efficiency and energy management jobs in our state that are by their very nature local, and the savings they create remain with our customers.

- This pathway to 100% will unlock more renewable energy resource investments, and specifically, will allow Oregon cities and other customers to more directly participate in adding renewables to the grid, creating local jobs and benefits. Harnessing a community’s vision using proven tools could help enable these resources to come online faster than through traditional utility procurement measures.

- This legislation will increase visibility to, and engagement with, vulnerable and historically marginalized communities and include those perspectives more directly in how electricity is made and delivered by Pacific Power and PGE.
• Another important feature is that HB 2021 retains Oregon’s leading integrated resource planning (IRP) process to guide the planning for emissions reduction. The IRP, and the resulting Clean Energy Plans, will present a robust analytic and engagement process that will be transparent to the public and accountable to Oregon utility regulators.

• Emissions reductions will be measured using the state greenhouse gas reporting procedures we already use today. We will measure progress through DEQ’s reporting standard that has been in place since 2010.

• HB 2021 recognizes that the grid is regional in nature and that Oregon’s participation in regional electricity markets is a key component to ensuring affordable integration of renewable resources and ensuring our reliability.

At PacifiCorp, one of the benefits of being a regional, multi-state electricity provider is that we can share costs at scale and leverage geographic diversity to provide the best solutions to all our customers. But we also note that each state we serve is different, with their own political and regulatory challenges that can sometimes conflict with what is most beneficial to our whole system. HB 2021 creates a framework that, while focusing on the clear objective of achieving the cleanest electricity possible for Oregon, compliments the work we have been doing since the passage of the Coal to Clean law to allow Oregon to develop the competitively priced resource mix our customers and stakeholders desire. This Clean Energy Standard framework leans into the policy and market trends we are witnessing and have been adapting our business to for several years now.

This pathway to 100% won’t be easy, but this Clean Energy Standard strategy is comprehensive and keeps a focus on ensuring reliability, affordability, and delivering the best solutions for Oregon customers while achieving the ultimate goal of decarbonization. This approach builds on Oregon’s previous clean energy policies and provides regional alignment with our neighbors.

The carefully crafted balance represented here, with input from a very diverse set of stakeholders, shows how energy policy can reflect Oregon’s diversity of perspectives while achieving our common aspirations for our state. I urge you to support HB 2021 with the -5 amendments.

Sincerely,

Scott D. Bolton
Senior Vice President, Transmission Development
Pacific Power