



April 9, 2021

To: Senate Committee on Natural Resources and Wildfire Recovery

Re: **Consumer-Owned Utility Comments on Utility Provisions of SB 762**

Dear Chair Golden, Vice-Chair Heard, and Members of the Committee:

The Oregon Municipal Electric Utilities Association (OMEU), the Oregon People's Utility District Association (OPUDA), and the Oregon Rural Electric Cooperative Association (ORECA) represent 36 of Oregon's consumer-owned utilities (COUs). As COUs, we are governed by locally-elected boards. We provide our electrical service at least cost and have no profit motive.

Thank you for the opportunity to provide comment on SB 762, which implements several recommendations from the Governor's Council on Wildfire Response. Our comments are limited to the sections of the legislation pertaining to utilities, Sec. 1 – 6b of the -1 amendment. It is our understanding that these provisions, with minor technical amendments, will be incorporated into a subsequent -3 amendment.

First, we want to thank Governor Brown and members of the Council on Wildfire Response for their critical work on behalf of the State of Oregon. We have also appreciated the dialogue and information sharing in the Oregon Wildfire and Electric Collaborative (OWEC) workshops that have been hosted by the Oregon Public Utilities Commission pursuant to Executive Order 20-04.

In many of our service territories, wildfire is a threat to our mission of safe, reliable, and affordable electricity. Several of our communities suffered great losses during the Labor Fires, which has driven home our commitment to redouble efforts to prevent and mitigate fire risk. SB 762 builds on our work.

While we agree that it makes sense for all utilities to evaluate their wildfire risk, we appreciate the recognition in SB 762 that IOUs and COUs have different business and governance models that warrant unique statutory treatment.

Additionally, while all COUs are not-for-profit and governed by locally elected boards, each of Oregon's 36 COUs has its own unique service territory. These service territories vary widely – from the smallest COU with just 15 miles of distribution line that are primarily underground in the City of Drain, to Harney Electric Cooperative with over 2,400

miles of distribution and 350 miles of transmission line, serving farmers and ranchers in six rural counties. Because our service territories have different risk profiles, we appreciate the flexibility in SB 762, which allows the wildfire mitigation plan to be tailored to the unique risks of the COU. We also appreciate the bill's recognition that these plans are operational decisions that should be approved by the governing body of our utilities.

Thank you.

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