

Eugene Water & Electric Board

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February 13, 2023

HB 2215 – EWEB is supportive of expanding carbon-free electricity siting options

Dear Chair Marsh and Members of the House Climate, Energy, and Environment Committee:

The Eugene Water & Electric Board (EWEB) is a customer-owned not-for-profit municipal utility serving 96,000 customers in Eugene and the McKenzie River Valley. About 90 percent of EWEB electricity supplied to customers comes from carbon-free resources, primarily hydropower.

EWEB supports least-cost, technology-neutral, economy-wide approaches to reducing GHG emissions. Regional studies and analysis of the electric sector, including EWEB's own utility resource planning work, show increasing indications that nuclear energy will play a role in achieving regional carbon goals and maintaining electric system reliability in a deeply decarbonized Pacific Northwest. These same studies show achieving deep emissions reductions from the electric sector is achievable at manageable cost, provided that firm capacity is available to avoid the infrequent but large electricity shortages that can occur on highly renewable grids.

The role of small modular reactors (SMRs) in the Pacific Northwest's future electricity system could depend on three factors: their cost; the stringency of regional emissions limits; and whether gas generators are allowed to provide firm capacity. Oregon and neighboring Western states have adopted ambitious GHG reduction goals for the electric sector as well as goals towards the electrification of light duty vehicles. Oregon law that took effect in September 2021 prohibits the Oregon Energy Facility Siting Council (EFSC) from approving construction of new and expanded power plants that would burn natural gas or other fossil fuels. Oregon and the Pacific Northwest need ALL carbon-free electricity generation options to be on the table to meet firm capacity needs, state goals for GHG reduction and electricity reliability and affordability.

Multiple companies have been working to develop SMR power generation over the past decade. Their designs have passed numerous legal and regulatory hurdles, and several are under contract to be constructed by 2030. SMR facilities are intended to alleviate some of the downsides of older nuclear facilities, such as scalability, flexibility, and safety risks. They can be deployed at smaller megawatt capacities and 'scaled' up if demand exists. They also incorporate passive safety technology that is designed to be a failsafe in the event of an emergency. Aside from hydro, nuclear is one of the few carbon-free resources that is flexible and dispatchable.

Sincerely,

Jason Heuser Public Policy and Government Affairs Director Eugene Water & Electric Board (EWEB)

Relyon us.