

Date: March 15, 2023

To: House Climate, Energy & Environment Committee

RE: Coalition Comments Regarding HB 3152 -2

Chair Marsh, Vice-Chairs Levy and Levy, and Members of the Committee:

The listed organizations oppose House Bill 3152-2. We are all committed to Oregon's transition to a low-carbon future and are implementing strategies that materially contribute to achieving Oregon's decarbonization targets.

Safe, dependable, and affordable solutions are critical to ensuring that the transition to net zero is sustainable and retains public support. It is the view of this coalition that HB 3152 with the -2 amendment will increase housing and energy costs, reduce consumer choice and risk energy reliability. In addition, we believe:

- 1. This bill is unnecessary.** As conceded by one of the bill's key proponents, the issues addressed in this measure are already within the purview of the Public Utility Commission (PUC). Energy efficiency incentives and line extensions are important tools in controlling costs for all ratepayers. Decisions around them are best adjudicated within the PUC's inclusive, quasi-judicial and technical fact-finding process.
- 2.** We are concerned this bill could disrupt critical investments in infrastructure and ultimately will **eliminate or reduce natural gas as a critical source of affordable and dependable energy** to 2.5 million residents and 85,000 businesses, institutions and industries in Oregon. Natural gas provides energy when renewable resources don't, and in some cases, when electricity is simply not available. In February, hundreds of Oregonians were left without power but those who had natural gas service still had hot water and were able to cook hot meals. For several personal stories in this regard, please refer to the written testimony submitted in opposition to HB 3152, which can be found on OLIS.
- 3.** HB 3152 fundamentally **shifts the missions of the Energy Trust of Oregon (ETO) and the PUC.** The bill would shift the ETO from a fuel-agnostic energy efficiency organization seeking to help consumers improve the efficiency of their homes or buildings, to an implementer of electrification and making resource decisions for consumers. The bill further cedes the legislature's policy-making authority to the PUC, shifting its mission from an economic regulator to an environmental regulator; from an agency that implements policy in the most economic manner, to one that legislates policy.

4. By favoring one fuel source over another, this bill **promises to increase demand on an already fragile grid, while simultaneously accomplishing very little in reducing global greenhouse gas emissions.** Many proponents cite the figure that buildings account for 34% of the state’s GHG emissions. However, natural gas combustion in buildings accounts for less than 7% of the state’s total emissions, while electricity use in buildings is fully 21% of the state’s total. (Source: ODEQ 2021 GHG Emissions Inventory, preliminary estimate for 2021).

For these reasons and more, the listed organizations respectfully request the committee vote no on HB 3152 -2. Thank you for the opportunity to comment, for your consideration, and for your service to Oregon.

