



Representative Bobby Levy

Serving Umatilla, Union & Wallowa Counties

Dear Colleague,

HB 3546 requires significant revision to prevent discriminatory language that targets a specific industry—data centers— setting a concerning precedent for targeting individual sectors.

The U.S. power grid requires significant modernization to meet three emerging challenges: the rise in domestic manufacturing, transportation and building electrification, and expanding digital infrastructure. Most of the current grid infrastructure, built in the 1960s and 1970s, cannot adequately support distributed renewable energy sources such as solar and wind farms. Communities also need additional carbon-free energy sources to address both increasing energy demands and climate change goals.

Large customers like data centers are ready to be part of the solution: our growth can help fund much-needed carbon-free energy projects and grid modernization. Large customers can also mitigate the risks of our growth by agreeing to long-term contracts, minimum infrastructure charges, and collateral requirements that ensure utility ratepayers are made whole if a project does not materialize. This ensures we cover our costs and protect the pocketbooks of other ratepayers.

All of this is possible—and occurring in other states—without naming a specific industry. Regulators in other states have put forward policies that apply to all new large loads rather than just data centers.

Proponents of the bill point to irrigation and street lighting rate classes as examples of targeting a specific industry. But irrigators only irrigate in the summer, and streetlights only turn-on at night. These rate classes were developed because irrigation and street lighting use electricity differently than those who would otherwise be paired with them in a rate class. This is different from singling out data centers relative to other large energy users.

Voting against this bill signals the need for further Senate deliberation to ensure Oregon avoids enacting policies that unfairly target specific industries. Sound policymaking should focus on broad, equitable measures rather than singling out currently prominent sectors.

Sincerely,

Representative Bobby Levy, House District 58