

The logo for Consolidated Oregon Indivisible Network (COIN) features a stylized graphic of three overlapping shapes: a blue circle on the left, a red circle in the middle, and a blue circle on the right, all partially overlapping a larger blue shape below them. To the right of this graphic, the text "CONSOLIDATED OREGON" is written in a large, bold, blue, sans-serif font, and "INDIVISIBLE NETWORK" is written below it in a slightly smaller, bold, blue, sans-serif font.

CONSOLIDATED OREGON INDIVISIBLE NETWORK

February 20, 2025

Chair Sosa, Vice-Chairs Chaichi and Osborn, and the other members of the House Committee on Commerce and Consumer Protection,

I am writing today on behalf of Consolidated Oregon Indivisible Network (COIN) to express our enthusiastic support for the HB 3179, the FAIR Energy Act. I have had the opportunity to review a draft version of the amendments that I understand will be posted this coming Tuesday. My comments reflect my understanding of the bill with these amendments.

As a reminder, COIN is a network of nearly 50 grassroots Indivisible groups located in every part of Oregon. We believe in collaboration to protect democracy and support our treasured Oregon values through voter outreach and education, campaigns, and elections. We seek to hold our elected leaders accountable, and advocate for legislation that best reflects our values. I have the honor of serving as co-chair of COIN's Climate, Energy and Environment (CEE) Team and as a member of its Legislative Team. Prior to my retirement, I taught graduate courses in energy policy and administration for nearly 30 years at Portland State University. Before transitioning to academia, I held senior positions at a major electric utility, a Northwest utility trade association, and the staff of the US Senate Energy Committee.

Clearly, HB 3179 aligns with COIN's collective values. All of us have experienced the effects of skyrocketing energy bills that have made it difficult for so many of us to pay our energy bills. As I am sure you are aware, our state's largest utilities have raised billing rates by nearly 50% since 2021. It is true that some assistance programs are available. In fact, I used to serve on the board of the Oregon Energy Fund, the 35-year-old nonprofit that provides bill assistance to low-income Oregonians so they will not have to sacrifice food, rent, or medicine to pay their power bills. However, as helpful as this wonderful non-profit may be, it is clearly not enough.

The FAIR Energy Act provides an excellent set of tools that will help to address this serious problem.

- It clarifies that state regulators are empowered to set energy billing rates to the lowest level possible.

- It allows regulators to consider economic impacts on customers, such as unemployment data and the number of customer disconnections for nonpayment.
- It provides regulators with more options for using low-interest financing for necessary utility infrastructure, thereby saving the utilities and their customers money.
- It limits how often utilities can raise billing rates, preventing new increases for at least 18 months after a new one is added.
- It moves rate increases out of the winter months by banning cost hikes between November 1 to March 31 when usage is highest and bills are most expensive.
- It clarifies that regulators have the power to delay increases in billing rates, instead of allowing the utilities to decide when new rates should go into effect.
- It improves transparency and helps Oregonians understand what they are paying for by requiring utilities to report expense categories like investments or fuel prices.
- Finally, it helps customers plan for upcoming bill increases by requiring utilities to provide a quarterly report on rate changes customers can expect in the upcoming year.

Upon enactment, HB 3179 will apply to Oregon's investor-owned utilities: Portland General Electric, Pacific Power, Idaho Power, NW Natural, Avista Utilities, and Cascade Natural Gas. It will not apply to the state's consumer owned utilities such as the people's utility districts, municipal utilities, and rural electric cooperatives. This is because these utilities are owned and ultimately controlled by the very people they serve. Many members of groups that comprise COIN are served by consumer owned utilities. We encourage those utilities to consider and adopt the features of the FAIR Energy Act that are appropriate for consumer owned utilities.

Ever since Congress passed the Public Utility Act of 1935, there has been a near consensus that electricity and natural gas are more than just commodities. They offer an essential service like police and fire protection or mail delivery. We believe that no Oregonian should be cut off from an essential service like heat and electricity simply because they are truly unable to pay for it. COIN has supported earlier versions of this bill in previous sessions, and we support this one. It is the right choice for moral, ethical, business, and practical reasons. We appreciate the essential roles utilities play. I am proud to have worked for one. However, we want to encourage Oregon's utilities to meet their moral obligations as well as their business objectives. We encourage the members of this committee to endorse this bill and help it continue through the legislative process so it can become law.

Respectfully,

Jeff Hammarlund on behalf COIN as a whole, COIN's Legislative Team, and COIN's Climate Energy and Environment Team