



February 25, 2025

To: Representative John Lively, Chair, House Climate, Energy, and Environment Committee  
Representative Bobby Levy, Vice Chair, House Climate, Energy, and Environment Committee  
Representative Mark Gamba, Vice Chair, House Climate, Energy, and Environment Committee  
Members of the House Climate, Energy, and Environment Committee  
From: Nicole Hughes, Emily Griffith, Renewable Northwest

**Re: Support for HB 3628 Oregon Electric Transmission Authority**

Chair Lively, Vice Chair Levy, Vice Chair Gamba, and members of the committee,

Renewable Northwest is a renewable energy advocacy organization working in the states of Oregon, Washington, Montana and Idaho. Our organization monitors obstacles to clean energy development, with an ever increasing emphasis on the impacts of limited transmission capacity. Thank you for the opportunity to support HB 3628.

Across the U.S., utilities and customers are feeling the pain of delayed investment in transmission. Studies have demonstrated a need across the west to build approximately 16,000 miles of new transmission over the next 20 years. These investments are needed to maintain grid reliability, support decarbonization and address extreme weather risks. In Oregon, lack of investment in transmission is challenging our utilities ability to meet HB 2021 standards and support planned economic growth. Oregon's utilities are not only dealing with difficulties in upgrading their own transmission, but also rely on Bonneville Power Administration's system, which is falling short in supporting load growth and clean energy policies.

Reasons for lack of adequate investment in transmission infrastructure include: difficulties in project siting, escalating material costs, supply chain delays, a lack of coordinated regional planning, and dependence on conventional regulatory frameworks for utility investments. Without a regional market in the west overseeing the expansion of transmission, states are asking what role they should be playing. Seven states in the U.S. have transmission authorities, with five more considering similar action this year. In the West, states with existing transmission authorities include Wyoming, Idaho, New Mexico, and Colorado. This year, alongside Oregon, Washington, Utah, California, and Montana are also exploring the creation of such authorities.

Utilities currently plan and invest in transmission with a narrow view of 1) what the needs of their own customers are and 2) what investments they can justify to their regulatory bodies to obtain a rate of return. Transmission lines that cross multiple utility balancing areas or serve purposes beyond one specific utility's needs are difficult to justify under the current regulatory structure. Oregon needs an entity responsible for evaluating the broader infrastructure needs of the state

as a whole. The current process for transmission development can be compared to a sports team playing without a coach: players make individual decisions and coordinate with those closest to them, but no one is directing the team's overall game plan.

Oregon has several agencies responsible for regulating the siting, construction and cost recovery of transmission. However, there is no entity dedicated to ensuring that new infrastructure is developed to meet a wide range of customer needs and benefits. Transmission authorities play a crucial role in supporting a state's economic goals, ensuring system reliability and coordinating with other similar agencies and authorities in nearby states. Transmission Authorities on the other hand will not replace existing investor-owned or public utility processes for developing transmission. HB 3628 is not mandating the establishment of a new state agency or regulatory bureaucracy for utilities, nor will it solve all transmission related challenges. It does, however, provide an additional pathway to develop critical infrastructure that current practices may hinder. It empowers the state to collaborate with private investors or issue revenue bonds to jumpstart transmission projects that, due to insufficient regional planning, might not otherwise be built.

Some may argue this isn't necessary, or that it doesn't solve all of the problems. I agree there are limitations to what a small, nimble transmission authority envisioned by HB 3628 can accomplish. However, we have reached a fork in the road where states can no longer solely rely on traditional processes for building transmission. HB 3628 proposes a low risk investment by the state, which will likely have significant beneficial returns over time in customer savings, economic growth and support for clean energy policies. We are in an era of risk and strain on our electricity grid that we have never faced before. While traditional methods of infrastructure investment—primarily based on utility rate of return—have their place, they may not fully address broader policy goals and reliability needs. I encourage you to think creatively and consider joining your neighboring states in taking a proactive approach to this growing challenge.

Thank you.

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