

OREGON
BUSINESS
FOR CLIMATE

March 5, 2025

Sent via OLIS.

TO: Chair Lively, Vice Chairs Gamba and Levy, and Members of the House Committee on Climate, Energy and Environment

RE: **Support for HB 3546 – POWER Act – Ensuring infrastructure investments are borne by large users**

FR: Oregon Business for Climate

Dear Chair Lively, Vice Chairs Gamba and Levy, and Members of the Committee:

Oregon Business for Climate is a league of businesses, large and small, across the state in a range of industries from manufacturing to agriculture to transportation to healthcare. We believe climate leadership is critical to the health of Oregon’s industries and communities, and will help our state re-emerge as a leader thriving in the growing clean economy. To that end, our mission is to advance urgent, ambitious, equitable climate policies and programs designed to help spur innovation and economic opportunity while effectively and responsibly reducing emissions.

In short, we are a statewide group of businesses that see both the **imperative** and the **opportunity** of taking bold action to address climate change. We believe Oregon can and must do more to address climate change, that business plays a critical role in this progress, and that aggressive action is good for Oregon.

Oregon Business for Climate strongly supports HB 3546 to ensure the costs of major grid investments needed to support our largest new users are borne by those same large users, not by small businesses and households. The Protecting Oregonians With Energy Responsibility (POWER) Act (HB 3546) will ensure that data centers and other large energy users contribute fairly to grid infrastructure and energy costs. Oregon small businesses and families are already facing energy cost challenges, so it’s critical that these costs are accurately attributed to these large users.

Our grid loads, and investments required, are rising dramatically, and will for years to come. Part of that is the electrification (buildings, transportation, etc.) needed to reduce our GHG emissions. But a driving share of these load increases are from these large facilities. As we build out an expanded and more resilient grid, this is one critical area where we can ensure the costs are borne as much as possible by the users. HB 3546 is a smart solution to ensure that cost alignment.

Many of these large users also have strong, laudable clean energy goals – and that is great news for our broader climate goals. Still, the alignment of costs for their infrastructure is critical to ensure the economic security of our communities and thriving small businesses.

More specifically, the POWER Act will ensure that utility costs can be tracked and billed appropriately to data centers by creating a new customer category at each investor-owned electric utility. These big energy users require transmission and other infrastructure to serve them. Today, Oregon's consumer-owned utilities in BPA territory have the tools they need to align grid infrastructure costs with these customers, but the Public Utility Commission and investor-owned utilities do not have all those tools. This bill gives our PUC and investor-owned utilities the tools they need to ensure that cost alignment.

HB 3546 protects families and small businesses from paying for data center-specific costs when these new users are connected to the energy grid, and when they add new costs to the system in the future.

As we build out a more and more capable grid, and add significant new loads, we must manage costs and attribution to ensure the economic health of all ratepayers. The POWER Act is a critical component of that managed transition. Oregon Business for Climate strongly urges your support for HB 3546.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Miller", written in a cursive style.

Tim Miller, Director, Oregon Business for Climate