



Portland General Electric

121 SW Salmon Street • Portland, OR 97204
portlandgeneral.com

Senator Floyd Prozanski, Chair
Senate Judiciary Committee
900 Court St. NE
Salem, OR 97301

March 7, 2025

Re: Senate Bill 926

Chair Prozanski, Vice Chair Kim Thatcher, and members of the committee,

Thank you for the opportunity to provide testimony on SB 926 on behalf of Portland General Electric. PGE is an integrated energy company that generates, transmits, and distributes electricity to over 950,000 customers serving an area of 1.9 million Oregonians in seven counties and 51 incorporated cities. We are proud to be an Oregon company and Oregon's largest provider of electricity.

While we commend its intent to protect customers, the current bill's language is problematically broad, encompassing both allegations of negligence *and* settlements and contains two key issues. The first, associated with Section 2(2)(a), seeks to prohibit something that is already prohibited. Utilities already cannot recover costs associated with fines or penalties. Further, a determination of negligence would mean that utility did not act prudently, the usual standard for utility cost recovery. The second, associated with Section 2(2)(b), may prevent cost recovery based on unsubstantiated claims rather than proven negligence, and fails to recognize that settlements, often made without admitting fault, can be the most prudent and beneficial resolution for all parties.

Consider this scenario: A utility faces a lawsuit related to wildfire and opts to settle to avoid protracted litigation and compensate victims more quickly for their losses, without admitting fault. Under the proposed bill, the utility would be unable to recover these settlement costs, even if this approach was the most responsible decision for all parties. This provision could have unintended consequences by discouraging prudent legal decision-making, creating a disincentive for settling with affected parties, and impacting utilities' ability to recover legitimate costs.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read "Greg Alderson", with a long horizontal line extending to the right.

Greg Alderson
Senior Manager, State and Federal Government Affairs