



March 4, 2025

Chair John Lively
Vice-Chair Mark Gamba
Vice-Chair Bobby Levy
House Committee on Climate, Energy, and Environment
Oregon State Legislature
900 Court St NE
Salem, OR 97301

Dear Chair Lively, Vice-Chairs Gamba and Levy, and members of the House Committee on Climate, Energy, and Environment,

On behalf of the LOC, we support House Bill 3546 – the Power Act. The LOC represents 241 diverse and unique cities across Oregon who voted as an LOC priority to support actions to maintain affordable and reliable energy resources and build resilient communities.

Cities support many high energy producers like data centers and other manufacturers. They are economic drivers for our communities and support many jobs during construction, and permanent jobs once the facilities are built. Additionally, they bring other jobs to the community by lifting up small businesses and new economic opportunities as a result.

In many cases, cities provide incentives to encourage these companies to move to our region and in return, those tax dollars flow back to our communities in time, bringing much needed revenue for our communities in addition to economic growth. Some communities are already seeing those returns on investments and it has been a boom for many but especially our smaller cities. HB 3546 will not impact incentives cities have to attract these businesses, and we thank the bill sponsors for leaving those intact.

We support HB 3546, not because we don't support these businesses - we do. But because we believe that the extra demand and costs associated with them should not be borne by Oregon residential customers and small businesses, in an investor-owned utility (IOU) or consumer owned utility (COU) territory.

It's no surprise to anyone on this committee that energy costs have risen dramatically over the last few years. Oregonians, especially our most vulnerable citizens, those on fixed incomes, and our small businesses that are the heart of our cities, have struggled to bear those increased costs.

But an overwhelming increase in energy demand has come from a surge in high energy producing facilities that have strained our energy supply. Oregon customers in IOU territories are bearing the brunt of that through dramatic rate increases.

However, customers in COU territory do not. They also have data centers and other high energy producers, but they also have mechanisms to ensure that those who have increased energy demands and costs are the ones who are bearing the impact.

HB 3546 provides the PUC with the authority to classify the service of large energy producers and assign costs to service those facilities and mitigate the risks to other classes of retail electricity consumers like residential, commercial, and industrial customers. We think this is a fair approach to residents and other businesses our communities rely upon while still ensuring that we have the capability to attract these companies to Oregon and our cities.

The LOC strongly urges this committee to support and pass HB 3546 so that we provide sound tools for the PUC to provide much needed balance. Thank you for your time and your consideration of HB 3546.

Sincerely,

Nolan Pleše
Lobbyist, League of Oregon Cities (LOC)

