



350PDX  
3625 N. Mississippi Avenue  
Portland, OR 97227  
350pdx.org

March 17, 2025

**Re: Support SB 688, Performance-Based Regulation**

Dear Chair Sollman, Vice-Chair Brock Smith, and members of the Senate Committee on Energy and Environment,

We appreciate the opportunity to express our strong support for SB 688, on Performance-Based Regulation, on behalf of 350PDX, a grassroots environmental nonprofit with thousands of members in the Portland area, advocating for climate justice.

For decades, Oregon's utility companies have been rewarded for excess and inefficient infrastructure investment and energy generation at the cost of taxpayers and the environment. Our utility companies are not moving at the pace required to reach the state's clean energy goals and there are insufficient incentives to pressure them to do more. At the same time, Oregonians' utility bills are increasing without receiving better services. This is where Performance-Based Regulation (PBR) comes into play.

**PBR changes the incentives for utilities:** instead of incentivizing higher rates, cutting corners, and using more and more power so they can gain a greater profit, PBR sets up incentive structures connected to goals that are beneficial for ratepayers, public health, and climate stability. SB 688 makes it clear that the Public Utility Commission will have the ability to set these goals, keeping in mind a set of key public interests. Among these are important climate goals and energy affordability. The utilities have made insufficient progress to meet emissions and clean energy targets — goals that are critical for the environment and also for the diversity of our state's energy mix. With proper guidance and clear metrics to work toward, the PUC can ensure utilities are obligated to meet climate goals and are **rewarded for doing the right thing** for our planet. Of course, this is balanced with performance and cost goals, ensuring **savings and cost reductions are passed on to Oregonian ratepayers.**

We are strongly **in favor of the strategies such as community solar, distributed energy, energy efficiency, and microgrids** that are proposed in this legislation. These solutions will make the electricity grid more resilient to climate and other emergencies, including but not limited to wildfire disruptions. They will also give communities more ability to transition to clean energy.

The current structure of our energy grid is no longer sufficient for meeting Oregonians' needs for energy affordability and climate protection: we cannot continue doing the same thing. PBR is a modern solution that, with proper guidance from the PUC, can and will work well to **bring our regulatory system into the future and protect ratepayers and future generations** from the failings and inefficiencies of our current cost-of-service model.

Santiago Nolasco Galicia  
Climate Policy Assistant, Energy  
350PDX

Dr. Cherice Bock  
Climate Policy Manager  
350PDX

Building the climate justice movement.