



February 2, 2026

House Committee Climate, Energy, and Environment
Oregon State Capitol
900 Court St. NE
Salem Oregon 97301

Re: HB 4031 - SUPPORT

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

Climate Solutions is a Northwest-based nonprofit advancing clean energy solutions to address the climate crisis. On behalf of our thousands of members statewide, **we urge you to support HB 4031.**

Oregon has made important strides toward achieving our state's 100% clean energy goals. Unfortunately, a rapidly shifting federal clean energy policy landscape threatens to slow the deployment of renewables in Oregon, risking the resilience, affordability, and job creation benefits that come with the transition to clean energy.

Recent federal action through H.R. 1 has significantly rolled back the long-term clean energy incentives established under the Inflation Reduction Act. The Investment Tax Credit and Production Tax Credit for wind and solar have been sharply curtailed, with projects now required to begin construction by July 4, 2026 and be placed in service by the end of 2027, with only limited extensions through 2029-2030. This accelerates the expiration of federal support by nearly a decade.

These changes create a narrow, two-year window for clean energy projects to move through permitting and into construction if Oregon is to capture the remaining federal incentives. Without timely state action, Oregon risks losing billions of dollars in private investment, thousands of family-wage jobs, and critical progress toward energy affordability, reliability, and independence.

The combined effect of H.R. 1 and other recent federal actions threatens to slow deployment of wind, solar, and energy storage projects in Oregon. That slowdown would increase reliance on imported fossil fuels, expose families and businesses to greater price volatility¹, and weaken the resilience of Oregon's energy system at a time when communities are already facing wildfire-driven outages and other climate-related disruptions. Oregon must act swiftly to remain competitive and continue advancing its climate, economic, and energy security goals.

¹ Oregon Public Broadcasting, "Oregon gasoline prices soar due to major pipeline outage", September 12, 2025, accessible at: <https://www.opb.org/article/2025/09/12/oregon-gas-prices-olympic-pipeline/>

HB 4031 is a targeted, commonsense response to this moment. The Legislature has a narrow opportunity in the 2026 short session to help projects already in development move forward. HB 4031 temporarily streamlines project approvals for eligible clean energy projects by allowing them to proceed without Energy Facility Siting Council approval, while continuing to require local land use approval and compliance with applicable planning and permitting requirements. This time-limited approach is designed to respond to extraordinary federal policy changes and is not intended to permanently alter Oregon's permitting framework.

This is also an important Oregon economic issue. Oregon does not produce oil or gas; we import these resources, and the associated jobs and profits largely leave the state. Clean energy development, by contrast, relies on local resources and creates in-state jobs, manufacturing opportunities, and local tax base. Supporting Oregon-based projects during this federal incentive window helps ensure that economic benefits stay in our communities.

Importantly, clean energy remains the lowest-cost source of new electricity generation available today. Independent analyses, including from the U.S. Energy Information Administration, consistently show that wind and solar are cheaper than new fossil fuel generation on a levelized cost basis, even without federal incentives.² This is reflected in market trends: the vast majority of new electricity generation capacity added in recent years has been wind, solar, and storage, driven by cost, speed of deployment, and reliability benefits.

By acting now, the Legislature can help ensure Oregon captures remaining federal incentives, keeps energy affordable, supports family-wage jobs, and strengthens the reliability and resilience of the state's energy system.

Sincerely,

Alma Pinto
Oregon Clean Energy Policy Manager
Climate Solutions

² U.S. Energy Information Administration, *Levelized Costs of New Generation Resources in the Annual Energy Outlook 2025*, April 2025, accessible at: https://www.eia.gov/outlooks/aoe/electricity_generation/pdf/AEO2025_LCOE_report.pdf