



Testimony to the Senate Committee on Energy and Environment Support for SB 1582 - Community-Based Power in Oregon

February 9, 2026

Chair Solman, Vice-chair Brock Smith, and members of the committee,

My name is Dr. Pat DeLaquil. I am an energy system modeler and climate policy analyst, and I am submitting these comments on behalf of the **MCAT (Mobilizing Climate Action Together)**, a community of volunteers working on advancing a healthy climate and a green economy for future generations.

The existing central-station utility paradigm is at a breaking point because its size is driven by peak loads, which are minimally managed. Much has been discussed regarding the difficulties of meeting new load growth from data centers and electrification of transportation and buildings. Rather than follow that investment heavy and delay prone process, our near-term focus should shift to making greater use of the existing electric grid infrastructure that we already have in place. Current utilizations is only about 40%, which means that we currently only use the system at full capacity during the hottest days in the summer.

Community-Based Power, relies on Virtual Power Plants (VPPs), which are a coordinated network of distributed energy resources, like rooftop solar and battery storage, smart thermostats and electric vehicles, that collectively function to balance energy supply and demand, delivering reliable grid services like a conventional power plant. VPPs provide a coordinated way to shift large amounts of power out of peak demand periods and can be deployed during emergencies for local grid resilience.

Greater implementation of VPPs **will allow supply and demand to be more effectively managed**, which reduces peak demands on the transmission system, increases utilization of exiting distribution system infrastructure, and lowers costs for all customers by avoiding new transmission buildouts and spreading fixed costs for the existing infrastructure over a larger number on kilowatt-hours. The Brattle Group estimates that VPPs cost 40-60% less than other energy sources and widely deploying VPPs across the country could save up to \$35 billion for ratepayers by 2030¹.

¹ [Virtual Power Plants \(VPPs\) Could Save US Utilities \\$15-\\$35 Billion in Capacity Investment Over 10 Years - Brattle](#)



Virtual power plants make our energy grid stronger. They are a smart choice because they help us:

- **Lower costs for all consumers.**
- **Create local jobs** for the electricians and technicians who install these tools.
- **Keep energy dollars in Oregon** instead of sending them out of our state to purchase dirty fossil fuels.

VPPs are off-the-shelf technologies available now to meet rising energy demands. They don't need long permitting or construction timelines, and can be deployed in months, not years. We need this legislation now to move from the piecemeal programs being piloted by some Oregon utilities to begin scale-up and buildout of these programs by establishing statutory directives and timelines for VPP deployment and operation across Oregon. Legislation is also needed to standardize program design, protect customer rights and establish utility responsibilities.

MCAT urges this committee and the legislature to **consider that decentralization of our electricity system is similar to the decentralization transitions that swept the telecommunication sector and allowed the birth of the internet.** We believe that serious efforts should be made to examine how we can enable the transition of our electricity grid into a smart, safe and distributed network that gets more use out of our existing infrastructure, employs low cost replicable, consumer-based systems to manage supply and demand, and minimizes systems peaks to improve both resiliency and reliability. Consumer-based investment in VPP components will complement utility investment and help accelerate the transition to clean energy not just for the climate but because it's the lowest cost solution to growing our electricity system *and* maintaining affordability.

SB 1582 presents an important opportunity to make these community-based resources a core part of our energy system and **strengthen Oregon's energy grid while controlling and reducing electricity costs for all Oregonians.**

We urge your support.

Sincerely,

Dr. Pat DeLaquil
on behalf of MCAT Steering Committee