



KATE BROWN  
Governor

August 16, 2017

The Honorable Dennis Richardson  
Oregon Secretary of State  
900 Court Street NE  
Salem, OR 97301

Dear Secretary Richardson,

Oregon has been a leader in reducing greenhouse gas emissions to address climate change through key policies like dedicated funding for energy efficiency, the clean fuels standard, the renewable portfolio standard, and coal disinvestment through Oregon's coal-to-clean law. With the federal government's withdrawal from the Paris Agreement on climate change, I committed Oregon to meeting the greenhouse gas emission reduction targets of the agreement. Despite our progress in reducing greenhouse gas emissions, we are not on track to meet these targets and our own state goals. We must do more to reduce greenhouse gas emissions and address climate change.

The electricity sector continues to be an important part of our state's strategy to reduce greenhouse gas emissions. There is significant technology advancement in the electricity sector that is driving changes in electricity markets, including growth in distributed generation, energy storage, electric vehicles, and demand response. At the same time, costs for clean energy options, including renewable energy and energy efficiency, are decreasing and consumers are demanding more clean energy choices. The electric industry is in transition. In order to address climate change, this transition must include a path towards the clean energy resource mix of the future. SB 978 will provide a forum at the Oregon Public Utility Commission (OPUC) for a thorough examination of market trends and technological advancement to inform the future of electric utility regulation in Oregon. The recommendations from this examination will be essential to informing our path over the next few decades to reduce electric sector greenhouse gas emissions while keeping energy costs and reliability stable.

In signing SB 978, I support the OPUC's examination of the electric utility business model and the future of utility regulation that addresses the dynamic forces of the market and evolving technology. At the same time, we must continue to move forward in transitioning to clean energy, including renewable energy, energy efficiency, demand response, energy storage, and electric vehicles. We cannot afford to wait for completion of this examination to make progress and support critical investments in clean energy. The examination contemplated in SB 978 should not be interpreted as a time-out from Oregon's commitment to clean energy to reduce greenhouse gas emissions in the electric sector. We must continue to move forward in this



August 16, 2017  
Secretary Richardson  
Page 2

important work to decarbonize Oregon's electricity sector to meet our climate change commitments for current and future generations.

Sincerely,

  
Governor Kate Brown