

Annual Report of the Oregon Citizens' Utility Board

December 2018

In 2018 CUB continued a 34-year tradition of standing in the gap for utility consumers. We have effectively demanded fair rates from, and impacted future business strategies of, investor-owned gas and electric utilities; successfully advocated for state legislation protecting net neutrality and closing the digital divide; offered strong support to our allies who represent marginalized communities as they moved the dial toward achieving energy justice; and though we are a long way from finished, we are a few steps closer to achieving better diversity, equity and inclusion in our board, our staff, and our work.

In this brief report you will find highlights of our success; to see a full list of this year's accomplishments, please check out bit.ly/CUBmilestones.



Representative Jennifer Williamson speaks to a crowd rallying in Salem for the net neutrality bill, HB 4155, with supporting legislators and US Senator Ron Wyden

CUB Cultivates a Strong Voice in Telecommunications Policy

The 2018 Legislative Session yielded two significant customer victories in the realm of telecommunications policy. First, CUB worked closely with ACLU Oregon to lead the process of passing HB 4155, which uses governmental procurement powers to ensure net neutrality for customers across the state. Oregon was 2nd in the nation behind Washington to pass landmark net neutrality protections after the FCC eliminated Title II rules in 2017.

Our second major victory was the passage of HB 4023, which leverages Oregon's state-owned fiber network to expand service to underserved rural communities. CUB was an invited participant on the rulemaking advisory committee that resulted from this legislation. See details at bit.ly/CUBorleg18.

CUB Wins Victories in Two Rate Cases

PGE's proposed residential rate increase was twice as high as the one proposed for large commercial and industrial customers. CUB objected and won an agreement to shift some of the costs of PGE's new billing system to larger customers. PGE also agreed to study how it allocates the costs of smart grid investments, which currently are being over-assigned to residential customers.

CUB helped bring NW Natural's proposed rate increase of 8.3 percent down to only 3.72 percent, which means, when combined with the declining cost of natural gas, customer rates this winter will decrease by 2.1 percent. More info: bit.ly/NWNratecase

Thanks to a very active Board Development Committee, CUB welcomed five new board members in early 2018. You can find their bios as well as those of all our board members at: oregoncub.org/about-us/board.



Christy Anderson Brekken, an Instructor and Research Associate in the Department of Applied Economics at OSU, represents CUB members in District 4.



Shelley Batty is in Accounts Receivable for Pacific Pine Products in the town of Lakeview, where she represents District 2.



Ian Davidson lives in Salem and represents District 5. He works at the Oregon Criminal Justice Commission as a Program Analyst for the Justice Reinvestment Grant Program.



Hector Dominguez, representing District 3, is the Smart Cities Open Data Coordinator for the City of Portland's Bureau of Planning and Sustainability.



Dave Gilman, a retired BPA Power Transmission Electrical Engineer, hails from Happy Valley and serves members in District 5.

BPA and PGE Negotiate Win-Win Power Contract

In its recent Integrated Resource Plan, PGE outlined plans to build 1-2 new gas plants to replace baseload power from Boardman. CUB successfully pushed PGE to utilize hydro purchasing instead of creating more greenhouse emissions via gas generation. PGE's resulting contract with Bonneville Power also increases BPA's surplus power revenues, which puts downward pressure on rates for BPA's customers. For more info, check out bit.ly/PGEplanning.



Bob Jenks with representatives of the 2018 CUB Consumer Champion honoree, Jackson County Fuel Committee (l-r): Noelle O'Dell and Bill Jennett, and award presenter, Representative Pam Marsh (OR District 5)



CUB Staff Attorney Mike Goetz and retired PSU Professor Jeff Hammarlund prepare keynote addresses for the 2018 GoClean Energy Conference

Oregon Makes Progress in Fighting Climate Change

On November 6, voters passed Measure 26-201, the Portland Clean Energy Initiative, by well over 60 percent. CUB endorsed and advocated for this measure, which is an innovative vehicle to support new community based energy programs linked to public health, affordable housing, and other co-benefits.

While statewide carbon reduction legislation failed in the 2018 short session, CUB maintained our reputation among allies and legislators as a trusted expert resource on this topic. CUB is now participating in workgroups with legislators and other stakeholders to develop carbon policy; we are specifically focused on the energy utility aspect of carbon policy, and low-income assistance issues.

As we head toward the 2019 full session, we are encouraged by the collective momentum toward meaningful carbon reduction policy that will be fair and affordable for customers. For more information, see bit.ly/CarbonPolicy.

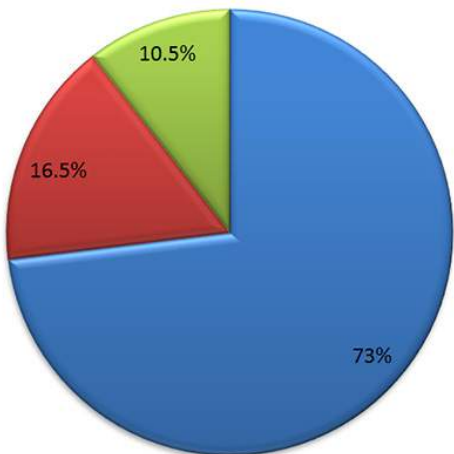
CUB's success is your success; we could not do this work without you. So whether you are a member at \$5 or a donor at \$5000 – we are so very grateful for your support. See our 2017 Anniversary Club (\$100+) and Ursa Major donors (\$500+) at oregoncub.org/about-us/donors.

CUB Policy Conference Shows Decarbonizing Our Economy Is Possible

The 9th annual CUB Policy Conference, *Destination: Decarbonization*, brought together industry leaders on October 19 to discuss decarbonization efforts currently underway, as well as what needs to be accomplished going forward – not simply for the energy sector but, more ambitiously, for our economy as a whole. For a full recap of this year's conference, see bit.ly/CUBCon18.

2017 Audited Financial Statement

■ Programs ■ Fundraising ■ Administration



Political Developments Spoil CUB on Hydro One/Avista Merger

The Canadian utility Hydro One had proposed to purchase Avista, which CUB guardedly supported after Hydro One agreed to a number of conditions on the merger that would benefit Avista's Oregon gas service customers. However, new Ontario Premier Doug Ford, after being elected this past summer, fulfilled a campaign promise by terminating the CEO and the entire board of directors. (The Province of Ontario is the company's largest shareholder.) This political meddling in Hydro One's affairs was of great concern to CUB, and we rescinded our support of the deal. At the time of this writing, the Oregon PUC has not yet issued a final decision in the case. See more details at bit.ly/Hydro-One.