

# The Bear Facts

QUARTERLY NEWSLETTER OF THE OREGON CITIZENS' UTILITY BOARD

Fall 2023

Making utilities affordable, accessible, reliable, and clean for people in Oregon.

Dear CUB Members,

This summer's record heat waves are yet another reminder that our climate is changing. As we work to address climate change, our utilities have many important roles to play. And so does CUB as we advocate for good utility policy and strong consumer protections.

Our gas utilities are tasked with reducing emissions drastically over the next few decades. We have already won a rejection of NW Natural's flawed emissions reduction plan (page 2). Now we turn to the second-largest gas utility and are stepping up to oppose Avista's plan to meet climate regulation (page 3).

CUB is also holding our electric utilities to standards of being well-run, safely operated, and working toward our climate goals. This is a big task from protecting customers from wildfire risks and costs (page 3) to holding utilities accountable for safe, renewable energy (page 2).

Members like you fuel our ability to pass policies that support a clean energy transition that benefits everyone in Oregon.



Regards,

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Bob Jenks

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## **CUB Member Spotlight**

"I donate to CUB because they have the expertise to cut through complicated utility regulatory processes on behalf of Oregon ratepayers, and they have demonstrated success in saving ratepayers billions of dollars on utility bills. Without CUB, our utilities would emit more carbon and charge customers more money. Few other Oregon nonprofits deliver results like CUB does."

Rory - Bend, OR I
CUB Member J

## **Recent Victories**

## **Environmental Protections, Reduced Bill Increase for Southern Oregon**

This summer, Avista asked regulators to approve a new bill increase for its Southern and Eastern Oregon gas customers. Now, we have reached an agreement that reduces the bill increase and makes significant strides for environmental protection.

**Lower bill increase.** Now, an average household's bill will increase by \$4.07 per month (5.3%), from \$77.01 to \$81.08 starting January 1, 2024. The original ask was about \$6.20 per month for households. This cut includes removing pro-fossil fuel lobbying and legal fees aimed at blocking climate regulation.

Ending the customer subsidy for expanding the system. Avista agreed to phase out millions of dollars in customer-funded subsidies over the next four years. Every new

customer added means more emissions that will have to be reduced and paid for by Avista's existing customers.

**Avoiding investing in new pipe.** When Avista considers new pipeline project sover \$1 million, it must also consider non-pipe options. When fewer pipes are added to the system, Oregon is less tied to fossil fuels.





Oregon is moving forward in reducing climate pollution from our energy systems. Utilities need clear plans to show how they will meet regulations without skyrocketing costs for customers. NW Natural failed to meet both expectations. **Regulators agreed with CUB and rejected much of NW Natural's plan to reduce emissions.** 

The Public Utility Commission raised significant concerns about NW Natural's plan. Commissioners criticized the gas utility's plans for expanding renewable natural gas because it is expensive for customers. They also noted NW Natural's disregard for lower-cost options. And they criticized NW Natural for its refusal to examine electrification as an alternative to renewable natural gas.

This plan will have long-lasting impacts on meeting state climate goals. It will also have major impacts on future customer bills. Now, NW Natural must come up with a more reasonable and affordable plan or the company – not customers – could shoulder the compliance costs.

## What to Watch

## Holding PGE Accountable for Safe, Renewable Energy

This spring, Portland General Electric (PGE) is asking regulators to approve a new bill increase for customers. At \$338 million, this is the largest request in over 20 years. PGE's request includes new investments in utility infrastructure and adjustments for increased power costs.

**CUB** has been investigating and we have found some concerning requests from **PGE.** As we transition to clean, renewable energy, our utilities must be investing in safe, efficient options. Unfortunately, PGE has not met those standards. CUB is asking the Public Utility Commission to reject a \$1 million capital investment from PGE's rate increase related to issues at Oregon's largest wind facility.



### Protecting Oregon Customers from Wildfire Risk and Cost Increases

As our climate continues to change, we are seeing increased wildfires across Oregon. Legislators – and now the courts – have recognized that utilities have an important role to play in wildfires and mitigation efforts.

Here's what CUB is doing to protect you!



#### Scrutinizing Wildfire Mitigation Plans

Recently, Oregon's utility regulators set new rules for wildfire protections. Now, our state's electric utilities must file a Wildfire Mitigation Plan each year. These plans aim to lower the risk of wildfires caused by electric utilities and keep customers safer in the event of a wildfire threat in their area. **CUB** is pushing for utility accountability and plans that prioritize the most vulnerable customers.

#### **Evaluating Utility Spending on Wildfire Mitigation**

Utilities are increasingly asking state regulators to approve more money for addressing wildfires. CUB supports investments that make our utilities more reliable and safe in the face of a changing climate. Our goal is not to oppose wildfire prevention spending. **CUB is working hard to make sure customers are not overcharged.** 

#### Protecting Customers for Pacific Power's Wildfire Damages

A recent court decision found Pacific Power liable for damages related to the 2020 Labor Day fires. The jury looked at the evidence and found that Pacific Power's conduct was reckless. Pacific Power's potential liability is huge – potentially more than \$1 billion. **CUB** is fighting to ensure that the financial responsibility is on **Pacific Power, not customers.** 

## CUB Turns to Avista Gas's Emissions Plan for Southern Oregon

After winning major victories against NW Natural's emission reduction plan, CUB is turning to Oregon's second-largest gas utility – Avista. CUB does not think that Avista has address in its plan how it is going to meet state climate regulations.

#### **CUB Concerns**

- Avista has not shown how it can realistically meet climate regulations
- Avista is not minimizing costs in its plan to reduce emissions
- Avista is unfairly prioritizing highly expensive new fuels and their profit over the best choices for customers
- Avista is not fairly considering clean energy options like converting appliances from gas to electric and energy efficiency measures
- Customers could face increasingly higher bills as a result



Klamath Lake in Southern Oregon

CUB will continue to push back on poor planning and support strong consumer protections. Avista's plan has the same pitfalls as NW Natural's now-rejected plan. We are confident that we can win a second victory on this issue for Southern Oregon. Regulators will decide in February 2024.



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## **Inside This Issue:**

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Thank you for being a CUB member!
Your support helps us advocate for issues like this and much more.

