

Citizens' Utility
Board of Oregon

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The Bear Facts

QUARTERLY NEWSLETTER OF THE
CITIZENS' UTILITY BOARD OF OREGON

WINTER 2016

CUB Mission:

As directed by Oregon voters in 1984, the Citizens' Utility Board of Oregon (CUB) represents the interests of Oregon's residential utility customers before administrative, judicial, and legislative bodies.

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Ch, Ch, Changes... Bittersweet, Visionary, and Historic

Nothing will remain the way it was...seems to be CUB's tagline for 2016. While it is certainly accurate to say that change brings opportunity, our most recent changes are also bittersweet. I am, on one hand, thrilled that two of our exceptional staff members, Policy Director Jeff Bissonnette and Staff Attorney Sommer Templet have moved on to great new positions in their respective fields, and on the other hand sad to lose these great professionals and colleagues. We will miss Jeff and Sommer and sincerely wish them both the best in their future endeavors. (See page 5.)

And part of this moving forward is interviewing prospective candidates. I look forward to introducing them to you in this newsletter in May. It is refreshing to know that there are many qualified, talented people who would love to work for CUB. CUB is clearly seen as a place where someone can have a real impact on public policy.

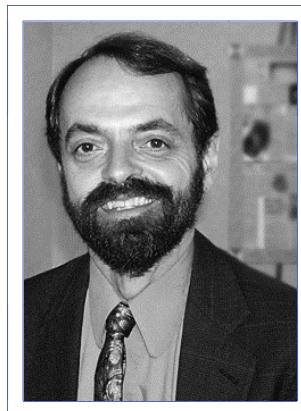
One of the biggest changes that we are immersed in right now is not just a change for CUB but for all Oregonians. The Clean Electricity and Coal Transition Plan (HB 4036) will transition Oregon customers of PGE and PacifiCorp off of coal-fire generated electricity by 2035 and increase the renewable portfolio standard to 50% by 2040. We believe that this is one of the most important policy decisions of our time, and will **protect Oregonians from future costs associated with carbon regulation** while also reducing carbon emissions. (See pages 3 & 4.)

And speaking of change, you can see we are sprucing up our newsletter, our logo and our look; we expect that this process will continue through 2016. We are also looking for new ways to work in the area of telecom public policy with a view toward a telecom policy conference and an updated CUB Connects program (see page 2). No matter what changes we make in the office or in Oregon, there is one thing that remains the same: our commitment to do **what is best for our members**, and all utility ratepayers in Oregon.

So, I hope you will read on and see all the great things we are doing on your behalf. Whether telecom, electricity, or gas, we are keeping watch. And don't forget, in between newsletters you can always find out what's new at www.oregoncub.org, on Facebook under the name Citizens' Utility Board of Oregon, and on Twitter @OregonCUB.

Sincerely,

Bob Jenks
Executive Director
Citizens' Utility
Board of Oregon



Building Our Commitment to Digital Inclusion

A Telecom Program Update



CUB tabled and presented workshops at the City of Portland's annual Fix-It Fair series in winter 2016.

service is as essential to daily life as adjusting a thermostat, turning a tap, or flipping a switch – our accomplishments in this area bear repeating.

While 2015 was all about strengthening our work helping consumers navigate constantly evolving risks and opportunities, our goal for 2016 is to build out the program even further. To this end, our first and perhaps most important step this year was to commit additional staff time. Samuel Pastrick, who'd previously worked full-time with CUB's Development and Communications team, is now splitting his time to address consumer issues as they relate to both state-level and nationwide telecom policy and regulation.

More specifically, Sam will continue the consumer workshop series that began in 2015. The goal is to share up-to-date and accurate information with participants to help them to choose the combination of services that meet their specific household needs.

So far in 2016, CUB has held workshops at City of Portland events like Fix-it-Fairs, and in partnership with community organizations like Free Geek. Free Geek workshops will continue once monthly at their Southeast Portland headquarters, with the next on Saturday, February 27 from 11:00am-12:00pm.

In other previously reported news, CUB's initial participation on the City Office for Community Technology-led effort to devise a Digital Equity Action Plan (DEAP) for Multnomah County wrapped up at the end of December. With an overarching goal to "ensure digital inclusion for all those who desire it", the DEAP will offer a strategic framework within which community stakeholders can partner on solving important

issues such as gaps in capacity, access, and affordability to broadband internet service. Work on the DEAP continues through the Portland-based Digital Inclusion Network (DIN), which CUB is pleased to have recently joined.

CUB's role in efforts such as the Multnomah County DEAP is hugely important in that we observe the process through a more global lens. Our primary objective as always is to remain accountable to and representative of not only our members, but also telecom consumers across Oregon.

Even with Net Neutrality enforced, the question remains: How will policy makers and regulators keep pace with technology while not hanging consumers out to dry?

Looking ahead, CUB's telecom consumer advocacy and education work may be more important than ever. As we reported last year, the FCC reclassified broadband from an "information" service to a "telecommunication" service under Title II of the Communications Act, allowing the agency to enforce Net Neutrality. This is a positive sign and major step forward for service equity in the internet age. At the same time though, sweeping technological advances continue to outpace the creation of fair regulatory infrastructure.

Even with Net Neutrality enforced, the question remains: How will policy makers and regulators keep pace with technology while not hanging consumers out to dry? For now, the answer is anyone's guess. What CUB can promise is that we will stay on the front lines of these issues, working to protect the interest of consumers across Oregon. We expect that 2016 will be an exciting year; and we will continue to report on developments as they unfold. Stay tuned.

HB 4036: Clean Electricity and Coal Transition Plan

Crafting and Passing Legislation “The Oregon Way”

Recently, CUB has been actively involved in crafting and working to pass Oregon’s Clean Electricity and Coal Transition Plan (HB 4036). We wrote this piece with the hope that it will help you understand HB 4036 and why CUB believes it is the right policy for Oregon. By the time you read this story you can visit oregoncub.org and read about its outcome.

About HB 4036:

In a nutshell, HB 4036 requires PGE and Pacific Power **only** to eliminate all coal generated power from their electric mix used to serve Oregon Customers, and increases renewables in that mix up to 50%. The current RPS, put into law in 2007, already requires that 25% of all new energy be produced through renewables and efficiency by 2025. This plan builds on current law, increasing the

Some Background: During the 2015 legislative session, it became clear that the Clean Energy Bill of 2015 was unlikely to pass and so a coalition called Renew Oregon was formed. This coalition includes both individuals and organizations. When the legislation failed, Renew Oregon submitted the appropriate paperwork to put a coal transition initiative on the 2016 ballot.

Last fall, Oregon’s two major utilities, PGE and Pacific Power, approached Renew Oregon to ask if they would consider developing a mutually beneficial plan to take to the Legislature during

the short session. The coalition agreed. Those who put the ballot measure together, along with PGE and Pacific Power also came together around the HB 4036 agreement.

CUB was the “cotton pin” in these negotiations, helping the utilities to see the “enviros” perspective, and the enviros to understand the challenges faced by the utilities, while also making it clear to both parties the paramount need for reasonable prices and reliability for consumers.

Representatives from this group met together for the equivalent of two full work weeks – 80 hours. During this thoughtful, thorough, and intense process, we listened to one another and asked a lot of questions. The conversations were sometimes tense and the agreements often fragile. It was a process of “Getting to Yes”, and ultimately became about what was best for long-term Oregon energy policy, and therefore Oregonians.



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Divesting from Coal Will Help Reduce Oregon's Carbon Footprint: Let's be clear, coal is an old, dirty technology that requires ongoing capital investment in expensive pollution controls. CUB passionately believes that reducing Oregon's use of coal is the single most important action that Oregon can do to protect ratepayers from future costs while also reducing carbon emissions.

It stands to reason that by reducing the need for coal-generated fuel, you reduce the carbon impact...period. The fact that there will then be more investment renewable investments suggests that it is probable for renewables to serve both Oregon and other states, effectively curtailing coal-fired electricity regardless of which state.

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In fact, Pacific Power, which serves customers in Oregon with a mix that includes 64% coal-generated electricity, and PGE which

serves Oregon with a 24% coal mix both believe that this plan reduces real carbon emissions through 2040 by 30 million metric tons. To get the same carbon reduction in the transportation sector we would need to take 6.4 million cars off the road for a full year..

Investing In Renewable Technology Makes

Economic Sense: While the cost of coal continues to rise, renewable generation has gone down. In fact, since 2009, the price of wind has fallen by more than two thirds, and in the past five years alone, rooftop solar prices have dropped around 80%. It is probable that these trends will continue.

Analyses completed by PGE, Pacific Power, and an independent firm, Fink Energy, found that between now and 2040, the risk is small. Pacific Power said that relative to current Oregon policy, HB 4036 results in an average annual cost increase of less than 1 percent between now and 2030. PGE anticipates no more than about 1.5 percent. Remember, PGE and Pacific Power are businesses, and as such they exist to turn a profit; one way or the other, they will invest in new infrastructure in the next 25 years. So if they say they can pursue clean energy rather than retrofitting coal

plants or building gas-fueled electric plants, they will have done their homework to ensure it is possible.

The Oregon

Way: In closing, we want to remark

on what an extraordinary "coming together" this experience has been and continues to be. Even as we write this newsletter, we are working very hard, in tandem with the enviros and the utilities, to see this bill passed. It has been said that we are doing it "The Oregon Way", which is to say we are working together, despite our differences, towards a common goal. Every day, CUB staff are realizing the historic nature of this moment. We are grateful for the opportunity to work on your behalf.

By the time you get this newsletter, we will know the outcome of our hard work. If HB 4036 passes, we will celebrate a profound and hard earned victory. But if not, then we will work to support a ballot measure to achieve the same milestones as HB 4036, but on a faster track. It is important that we clearly state our support of the ballot measure because our analysis tells us that divesting from coal and investing in clean, renewable energy is, without question, the best policy for ratepayers.



Want to Get Our Calls to Action?

Share your email with us!

Use the enclosed envelope or go to

www.oregoncub.org

to share your email address.

Then when we have calls to action

you can get involved!

Riding Off Into the Sun...

a farewell message from Jeff Bissonnette

I've had some tough assignments during my time at CUB. But this one is really hard.

Sum up 17.5 years in 400 words. OK, here we go.

Little did I know, walking into CUB's office on June 15, 1998, that I would get a front row seat to watch Oregon history get made. I probably should have known. After all, I had seen history happen 14 years before as a young college freshman when, against every conceivable political calculation, I saw Oregon voters approve Ballot Measure 3 to create CUB in the first place. It was the first time that anyone in state history had spent \$1 million on a ballot measure (that would be the utilities trying to defeat CUB; the pro-CUB campaign spent \$40,000).

CUB has a way of beating the odds. No one would have expected CUB to beat US West and win big rebates for customers. No one would have expected CUB to collect 70,000 signatures in 75 days to force Portland General Electric to agree to stop collecting profits on the closed Trojan nuclear power plant. No one would have expected CUB to lead the way in developing an approach to electricity restructuring that has served as the basis of Oregon energy policy for the last 15 years. No one would have expected

CUB to lead negotiations that led to an agreement to close Oregon's only coal plant.

CUB provided the inspiration for an 18-year-old college student to realize that people, working together, can beat the odds. That inspiration has guided my life since. It's that inspiration that I'll carry with me, because CUB has demonstrated time and again that it's true.

CUB has a lot of history yet to make. I know this because CUB will continue beating the odds and continue to defy expectations. For my part, I'm going to take the inspiration CUB gave me over 30 years ago, and re-enforced again and again for the last 17-plus years, to join the solar industry – more folks who know a little something about beating the odds.

It's kind of a cliché to say but it has been a privilege to be part of CUB's successes over the years. But I'll take that privilege and work every day to beat the odds and exceed expectations to build on those successes. I hope you do too. CUB deserves nothing less.



After 17.5 years of invaluable service on the CUB staff, Jeff has moved on to become the Executive Director of Oregon Solar Energy Industries Association.



Season's Change

CUB Bids a Fond Farewell to Staff Attorney Sommer Moser

Sommer Moser, CUB's Staff Attorney and Chief Legal Counsel, leaves CUB this month after more than five years. Sommer started her time at CUB as a Legal Extern in May of 2011, and later joined the staff as a full-time attorney. For the past year, she has expertly led CUB in all legal proceedings in front of the Oregon Public Utility Commission (PUC) around a number of crucial dockets, resulting in millions of dollars in savings for Oregon ratepayers. While all of us are sad to see her go, we can happily report a few things:

First, she is not going far. Sommer will soon join the Oregon Department of Justice (DOJ) as an Assistant Attorney General assigned to the PUC. Her keen legal expertise and ethics concerning Oregon energy regulatory policy, and extensive experience protecting ratepayer interests, will uniquely inform her new role at the DOJ. They are lucky to have her.

Second, we will know and feel her impact. Sommer did some incredible work in her time with CUB. Not only did she courageously represent our membership (as well as all Oregon customers), the respect among her peers and coworkers is universal. It really is an understatement to say that she will be sorely missed.



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**Support a Coal-Free Oregon & Other Critical Policies:
Join the 2016 Anniversary Club**



CUB has advocated for Oregon ratepayers since 1984. And in celebration of our 30th anniversary, we launched a new campaign last year called the Anniversary Club, asking our members to give \$100 or more to help us gear up for what we knew would be a tough road ahead...

Proposed House Bill 4036 – The Clean Electricity and Coal Transition Plan – is the fruit of many months of labor. CUB worked with a diverse coalition of utility and environmental stakeholders to develop this next generation of energy policy for Oregon. **See our insert (pages 3 & 4) for more info.**

Because of our having a seat at the table, your interests as a ratepayer remain at the heart of this plan. But were it not for you, and other members like you, we would not have a seat at all. So by joining CUB, you inform our work and enlist our expertise to go to battle on your behalf.

By joining the 2016 Anniversary Club, you show your support for HB 4036 – important policy that benefits Oregon ratepayers by moving us away from coal, and toward affordable, reliable, and clean energy. Please make your gift of \$100 or more and help us to build a clean and coal-free Oregon!