



QUARTERLY NEWSLETTER  
OF THE OREGON  
CITIZENS' UTILITY BOARD

# THE BEAR FACTS SUMMER 2024

## DEAR CUB MEMBERS

This year has been a tough one for our energy bills. 8,715 Oregon households were disconnected in April because of nonpayment of their bills to for-profit utilities — both gas and electric. **This was the most disconnections in a single month since public reporting began in 2018.**

**We're seeing the devastating impacts of rising energy bills and extreme weather on customers.** More than 4,700 PGE households were shut off in April. PGE raised rates by 18% in January, right before the major ice storm.

**Corporate utility profits are doing great, though.** PGE shareholders' earnings per share increased by more than 50%. Much higher rates and cold weather increased sales, providing more income for the company and its shareholders.

This year, CUB's focus is ensuring that customers are protected against ever-rising energy bills. We are proposing solutions to **cap rate increases (page 2)**. We are pushing for **better customer discount programs (page 1)**. We are **investigating the reasons bills are increasing dramatically (page 3)**. And we are leading the conversation about how we can **create people-centered utility policy (page 4)**.

Thank you for supporting CUB's advocacy for policies that benefit people, not profits.



Bob Jenks  
Executive Director, Oregon CUB

## EXPANDING BILL DISCOUNT PROGRAMS

Everyone needs power to live comfortably. But with rising energy bills in Oregon, it's getting harder to afford everyday expenses. CUB has pushed for expanding programs to lower energy bills and provide some relief to Oregon households.

**Bill discount programs can help lower all your monthly energy bills**, based on your monthly household size and income. The discount programs are available for customers at or below 60% of state median income (SMI). For a family of four, this would be \$44,916 per year. You can check your eligibility and sign up today by visiting your utility's website or calling customer service.

Thanks to CUB's advocacy, Portland General Electric, Pacific Power, NW Natural, Avista Gas, and Cascade Gas provide utility bill discount programs. Idaho Power will soon have a program available starting in October. **We have worked hard alongside community partners to create and expand bill discounts for Oregonians.**



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## CUB ENERGY POLICY CONFERENCE

### ENERGY POLICY FOR PEOPLE & PLANET

Our energy systems are built for one purpose: providing energy to **people**. This energy is essential for our daily lives. We rely on utilities to provide safe and reliable service so we can stay safe, healthy, and comfortable. With the rollout of climate regulation, we are also moving toward utilities that are safe, healthy, and beneficial to our planet. But how can we maintain our systems to work for people who use them?

October 4, 2024  
9 am -5 pm  
Leftbank Annex, Portland

**Energy Policy for People & Planet** will explore the intersections between utility planning, customer affordability, and climate protections. How can we balance reducing emissions without raising disconnection rates? How can the planning process help create a more sustainable rate making process? And how can we make the most of utility regulation to benefit customers and utilities?

Buy your tickets at [oregoncub.org/conference](https://oregoncub.org/conference) today!



THE BEAR  
FACTS  
SPRING 2024



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## CLEAN ENERGY IS NOT RAISING BILLS SO WHY ARE BILLS GOING UP?

Many people have been asking: Are the big rate hikes because of Oregon's clean energy mandates? The simple answer is no.

There is little evidence to suggest that Oregon customers would have lower rates without state requirements that utilities invest in clean energy and phase out of fossil fuels. **So why are energy bills increasing?**



### FOSSIL FUEL COSTS ARE INCREASING AND RISKY

All energy utilities, both gas and electric, currently rely on fossil fuels. As fossil fuels continue to become more expensive and higher risk, our energy bills go up. Coal costs have doubled in recent years. Natural gas (methane) has varied wildly from \$3/unit to \$12/unit, making it hard to predict costs.

### INFRASTRUCTURE NEEDS TO BE REPLACED

Oregon utilities saw a lot of load growth in the 1960s and 70s. Electric utilities built out power lines to new homes as our suburbs grew. Gas utilities expanded gas networks as homes moved from heating oil to gas for space heating. Much of this infrastructure is hitting the end of its 50 to 60-year useful life and needs to be replaced.

### DEMAND FOR ELECTRICITY IS INCREASING

Utilities have to plan for how to meet customers' needs every day. We need enough capacity to provide cooling and heating. As temperatures hit new extremes, serving peak needs is more expensive. At the same time, companies like Facebook and Amazon are asking for more electricity. This industrial growth increases the need for new resources and power lines that all customers pay for.

### WILDFIRE MITIGATION & LIABILITY COSTS

More than half of Pacific Power's 21.6% rate hike is associated with wildfires. PGE and Pacific Power are investing in tree trimming, hardening power lines, and more to avoid wildfires. Pacific Power is also spending a lot more on insurance and liability costs in the wake of wildfires. As wildfires get worse, these costs will continue to grow.

### REGULATION IS NOT CENTERED ON CUSTOMERS

For-profit utilities are monopolies and are regulated to protect customers. However regulation has become more and more focused on the needs of the utilities rather than the needs of the customer. **Everyday Oregonians need to be centered in how we regulate our utilities.**

Our current structure leads regulation to focus on each individual line item of a utility's request to raise rates, but not on the overall affordability of bills. This does not center our ability to pay our bills. As utilities are asking for more money, more often, we're seeing our energy bills skyrocket.



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## CUB CALLS FOR A 10% CAP ON RATE INCREASES AT THE PUBLIC UTILITY COMMISSION

Over the last four years, we have seen a troubling trend of utilities raising rates more often and in higher amounts. In normal circumstances, it should be rare for utilities to increase rates by more than 10%. Unfortunately, **we have seen a growing pattern of Oregon's for-profit utilities asking for 15-20% increases nearly every year** since 2020.



In just over two years, residential customers of NW Natural have seen rates climb 42.7%. At Pacific Power, rates have gone up 35.2% and Portland General Electric rates have risen 43.8%.

**We are asking the Commission to limit rate increases to 10% or 7% plus inflation, whichever is lowest.** This cap would apply to the total increase customers see over a year. Any requests over that cap would be pushed into the next year or beyond.

**Utilities are spending customer money.** Customers cannot afford endless major increases.

### CUSTOMERS SPEAK OUT AGAINST BILL INCREASES

All Oregonians want to keep their lights on. But rising energy bills force some customers to choose between buying groceries or staying housed and paying their utility bills. Despite many of their customers struggling, utilities continue to propose increases to customers' energy bills. This year, Oregon households are facing even more increases. PGE requested a 7% rate increase, Pacific Power is trying to raise rates by 21.6%, and NW Natural asked for an 18% rate increase.

Community members, including some CUB partners, are saying enough is enough. At recent public hearings, Oregonians spoke up about rising utility bills, including voicing environmental concerns and the financial burden on struggling families. Many spoke about struggling to make ends meet and how these rate increases couldn't come at a worse time.

“THIS REQUEST CANNOT COME AT A WORSE TIME. THE COST OF RENT, FOOD, TRANSPORTATION, AND OTHER LIVING EXPENSES ARE SKYROCKETING WHILE PEOPLE ARE ALREADY STRUGGLING TO MAKE ENDS MEET AND PAY THEIR BILLS. THE RATE INCREASES FROM LAST YEAR HIT FOLKS SO HARD THIS WINTER. I'VE HEARD OF FOLKS PAYING \$300-400 ON THEIR PGE BILLS FOR APARTMENTS.

- NIKITA DARYANANI  
COALITION OF COMMUNITIES OF COLOR

“I AM A RESIDENTIAL HOMEOWNER AND MY FAMILY AND I ARE SITTING IN THE MIDDLE CLASS AND WE ARE GETTING PINCHED TO DEATH OUT HERE. THIS PROPOSAL IS ANOTHER SHOT IN THE THIGH IF YOU WILL. ALONG WITH THE COST OF GAS AND THE COST OF LIVING IN GENERAL, WE'RE GETTING PINCHED TO DEATH OUT HERE. AND I'M NOT ENTIRELY SURE WHEN IT'LL STOP.

- JENNIFER SAWYER  
PACIFIC POWER CUSTOMER