

Oregon CUB

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CUB Mission:

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

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The Bear Facts

QUARTERLY NEWSLETTER OF THE
OREGON CITIZENS' UTILITY BOARD

Summer 2021

Oregon Passes 100% Clean Energy Legislation

a letter from Bob Jenks

This summer, CUB celebrates the passage of HB 2021, which commits Oregon to move to 100% clean electricity by 2040. The bill passed on June 26 following significant advocacy efforts from CUB. It requires the state's largest electric utilities to eliminate 80% of greenhouse gas emissions by 2030 and 100% by 2040. It contains provisions to ensure bills are affordable, the grid is reliable, and the transition brings community benefits.

HB 2021 offers Oregon a clear and achievable roadmap for cleaning up its electric sector and doing so by 2040. This is the earliest that any state has committed to 100% clean electricity. HB 2021 passed with backing from the largest and most diverse coalition to have ever supported clean energy legislation in Oregon. This coalition included environmental justice advocates, climate activists, utilities, local governments, labor groups, independent power producers, key legislators, and CUB.

The bill is the latest in a series of policies that CUB has supported which are eliminating carbon pollution from the electric sector and replacing it with clean energy. Notable examples include the closing of the Boardman coal plant, the implementation of the original Renewable Portfolio Standard, and SB 1547, the Coal-to-Clean bill that phases out service from out-of-state coal plants.

Like these other bills, HB 2021 is designed to ensure a reliable and affordable electric system. CUB's analysis shows that customers of Portland General Electric, Oregon largest utility, have seen their bills decline since the original Renewable Portfolio Standard was introduced in 2008. While opponents always argue that clean energy bills will raise rates, Oregon has shown that a clean electric system is possible without increasing customers' bills.

What separates HB 2021 from previous clean energy legislation is the broad support from community organizations. These groups encouraged the coalition to address a broad set of community concerns. Because of their efforts, HB 2021 contains unprecedented provisions requiring labor standards, funding for community energy projects, support for community climate action plans, and a ban on new gas-fired power plants.

As demonstrated by last year's wildfires and this year's early summer heat wave, the effects of climate change are already harming Oregon communities. Transitioning to clean energy is necessary and urgent. HB 2021's path to a 100% emissions-free electric grid provides the foundation for Oregon to build a clean economy.

Sincerely,

Bob Jenks
Executive Director, Oregon CUB

End of Utility Shutoff Moratorium to Exempt Certain Vulnerable Customers

Oregon has been a national leader in protecting residential utility customers throughout the COVID-19 pandemic. Since early 2020, Oregon's major energy utilities have accepted a moratorium on service disconnections for non-payment. However, this spring, the Oregon Public Utility Commission (PUC) decided to end the moratorium on July 16. This decision didn't align with recommendations from CUB and other advocates, who pushed for a later end date and eliminating past-due balances for many customers.

With its decision to end the moratorium, the PUC convened CUB and other stakeholders to identify vulnerable customer groups that should remain protected from disconnection. At a June 23 workshop led by the PUC, stakeholders agreed that not only should residential customers who have begun the process of accessing emergency assistance be prevented from disconnection, so too should residential customers with self-certified medical conditions. PUC staff also agreed to recommend updating severe weather disconnection moratorium rules that CUB helped author in 2017.



Community Action Agencies are scaling up energy bill payment assistance with additional resources from the American Recovery Act.

CUB is especially interested in protecting all residential customers from disconnections on days when the local air quality index becomes unhealthy for certain groups.

At the time of this writing, the PUC has not made a final decision on protection criteria for after the pandemic moratorium period has ended. While CUB was encouraged by the discussion during the June

workshop, we will continue to explore opportunities with our allies to protect vulnerable customers from disconnection, both through action at the PUC and potential legislation.

Because the moratorium officially ended on July 16, August 1 is the soonest any residential customer can have their energy utilities disconnected for non-payment.

Thankfully, Community Action Agencies, which distribute energy bill payment assistance, are scaling up with additional resources from the federal American Recovery Act. A separate process led by the PUC's Diversity, Equity, and Inclusion Director will begin soon to examine utility disconnection practices more holistically.

Energy Affordability Act Passes

Help is on the way for low-income households that struggle with electric and gas bills. The Oregon Legislature passed HB 2475, energy affordability legislation that will allow the PUC to reduce the bills of low-income households and will ensure that underrepresented communities are able to participate in the process that sets utility rates and policies.

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In a typical year, more than 18,000 gas and electric customers in Oregon have their service shut off for nonpayment. Thousands of additional households struggle to pay their utility bills. However, until now, the PUC could not consider income in setting utility rates and developing programs. Around the country, it is not unusual for utilities to have low-income discounts and programs that are focused on the needs of low-income customers. With the passage of HB 2475, Oregon can begin to develop these programs.

Working with a coalition of environmental justice and low-income advocates, this issue has been near the top of CUB's agenda in recent legislative sessions. Finally passing the bill will allow us to work with our coalition partners to design programs that can address community needs.

Because the PUC regulatory process is technical and time consuming, it historically has not been very accessible for organizations representing underserved communities.

(Energy Affordability Act Cont'd on Pg 5)

2021 CUB Board Election

Are you interested or have experience in energy or telecommunications policy? Experience or interest in nonprofit board management, fundraising, or HR? Expertise or aptitude in social media and outreach? Are you committed to diversity, equity, and inclusion? 2021 is an election year for the CUB Board of Governors.

For more information on board openings, responsibilities, and the application process, contact Thomas Jerin, Office Manager/Legal Assistant at thomas@oregoncub.org or 503-227-1984. Candidates should contact us **no later than August 30** to ensure that they comply with conflict of interest and other requirements, and can meet the filing deadline.



Pictured: 8 of CUB's 13 current board members. See full current roster and other CUB Board info at oregoncub.org/about-us/board

Public Utility Commission Investigates Future of Natural Gas in Oregon

On March 10, 2020, Oregon Governor Kate Brown issued Executive Order 20-04, directing state agencies to take actions to reduce and regulate greenhouse gas emissions. While this direction involves several state agencies, the Oregon Department of Environmental Quality (DEQ) and the PUC have taken leading roles in implementing the Order. The DEQ is enacting a Climate Protection Program which will require emissions reductions from natural gas utilities. This creates a substantial risk for natural gas customers. Renewable natural gas is limited and expensive. Some customers will choose to reduce emissions by switching from gas furnaces to electric heat pumps. Customers who are unable to switch - specifically low-income households - may be left responsible for ballooning costs as the natural gas system is funded by a shrinking customer base.



Electric heat pumps are one possible solution for customers to reduce emissions at home, but many households may not be able to afford them.

With these concerns in mind, CUB filed comments at the PUC in October 2020 requesting an investigation into the future of natural gas. Our aim is to get ahead of the risks created by the currently expanding natural gas system and simultaneous greenhouse gas regulations that will levy additional costs. After a request from CUB and several allied organizations, the PUC announced it was opening a natural gas fact finding investigation to examine the future of the natural gas industry during a time of changing regulatory and environmental climates. The PUC is particularly interested in understanding the

potential economic impacts on natural gas bills and exploring regulatory options to ease the burden on customers.

CUB applauds the efforts by the PUC and key stakeholders to take a hard look at the natural gas sector and determine a way forward that does not harm utility customers. Although the natural gas sector has seen increasing customer counts in recent years, the future remains unclear. As the effects of climate change become more acute and regulations steepen, many customers may eschew natural gas in favor of electric heat pumps. Communities may seek to limit natural gas in new buildings.

Meanwhile, natural gas utilities continue to make substantial investments to replace aging pipes. Under a future scenario with both increasing investments and decreasing customer counts, the customers that remain on the system would be forced to pay higher and higher bills. These customers are likely to be the most vulnerable among us: low-income households, renters, communities of color, and others who are unable to make expensive electrification upgrades.

The policy and equity issues on the table in this proceeding are many and complex. However, we look forward to engaging in the discussion to find the best path forward for Oregonians.

2021 Legislative Session Brings Historic Victories for Utility Consumers

A historic 2021 Oregon legislative session ended on June 26. Customers will soon benefit from robust transportation electrification policies; additional bill payment assistance and weatherization resources; rate relief for low-income utility customers; a more inclusive regulatory process overseeing utilities; and 100 percent clean electricity. (Note that articles discussing passage of **HB 2021** - 100 Percent Clean Electricity and **HB 2475** - the Oregon Energy Affordability Act are on pages 1 and 2 respectively).

HB 2165 dedicates funding for investments by PGE and Pacific Power in transportation electrification projects, with an emphasis on low- and moderate-income customers. HB 2165 also clarifies the PUC's evaluation of these investments and expands Oregon's electric vehicle rebate programs.

HB 2739 increases the electric bill payment assistance program for PGE and Pacific Power customers with low incomes by an additional \$20 million over the next two years. Passage of HB 2739 was particularly critical with the PUC's shut-off moratorium having ended on July 16. (See page 2 for further detail.)

HB 3141 increases weatherization resources for customers with low incomes while lowering the long-standing Public Purpose Charge on PGE and Pacific Power customers. HB 3141 supports investments in electric system reliability, resilience, and grid integration; retains the expertise of the Energy Trust of Oregon to implement all cost-effective energy efficiency

programs; improves projects for schools and low-income housing; and facilitates good utility planning by extending Public Purpose Charge funding to 2035.

But not all of CUB's legislative priority bills reached the finish line. **HB 2698**, had it passed, would have empowered consumers with the ability to repair their household electronics, saving them money while reducing waste and resource usage during manufacturing. CUB is committed to the fair repair movement, and will work with allies to carve a potential legislative path forward.

The 2021 Oregon legislative yielded significant advancements in the interest of residential utility customers. This victory would have not been possible without leadership from key legislators and our allies – especially those representing environmental justice communities and customers with low incomes. While the 2021 session has come to a close, work will soon begin to prepare for the 2022 Oregon legislative session that will kick off in February.



Thank You for Your Tireless Support

This legislative session, CUB supporters across Oregon spoke up for residential utility customers. We gathered nearly 750 constituent emails and reached almost every state legislator. From the historic 100% Clean Electricity bill to the Energy Affordability Act, our supporters helped pass landmark victories for our state. Thanks to all of you, five of CUB's 2021 legislative priority bills are headed to Governor Brown's desk to become law. We couldn't have achieved these important victories without your support, so thank you.

As a membership organization, CUB relies on our members to make our work possible. We keep our dues low, starting at just \$5 for a year. CUB members are more than financial supporters - they are the heart of our organization. With more than 2,000 Oregonians supporting our work each year, our voices speak louder together. Please consider starting or renewing your membership today by mailing a donation in the enclosed envelope. You can also donate online at oregoncub.org/get-involved/donate.

CUB Wishes Farewell to Deputy Director Janice Thompson

a note from Executive Director Bob Jenks



Janice Thompson, CUB's Deputy Director, is retiring this summer. CUB wishes her well as she heads into retirement and travels America.

Janice has been a critical staff member of CUB since 2014. She also was a valued member of our Board of Directors between 2004 and 2010. As deputy director, she has helped oversee the business as well as CUB's development, communications, and membership programs. While on staff, she has been a strong advocate for utility customers at the legislature and water/wastewater customers at the City of Portland. She has trained, supervised, and developed staff. She has coordinated special projects and led our efforts in Diversity, Equity, and Inclusion. She has done whatever is necessary to build and develop the organization.

She has also been an insightful partner to me as we have worked together to manage CUB. Janice has had previous experience as a nonprofit Executive Director and her advice to me has been invaluable, as has her well-developed skill at "managing up" (a kind way of saying she holds me accountable).

CUB has accomplished a great deal during Janice's time here. We have passed major legislation. We have developed a talented group of staff people. We have grown the organization. We have built solid relationships with other stakeholders. And she has been a key part of it all.

Janice has had an accomplished career working for nonprofit organizations and in the consumer interest. CUB is fortunate that she spent time with us. We wish her good health and good luck in retirement.

(Energy Affordability Act Cont'd from Pg 2)

It is not unusual for CUB to participate in PUC proceedings dominated by large companies with significant financial interests at stake. A key aspect of HB 2475 is breaking down the barriers that prevent participation by allowing these organizations to recover some of the cost of PUC participation. Having organizations that serve low-income households at the table as programs are designed that impact their communities is essential. It will also give CUB more allies at the PUC -- advocates who are concerned about the impact that utility proposals have on households throughout the state.

The need for this legislation is clear. Energy affordability is often defined as a household spending less than 6 percent of its income on energy bills. In some eastern Oregon counties, where incomes are lower and winters are colder, more than 40 percent of households pay more than this amount. Because of the COVID-19

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pandemic, we have been able to stop utilities from shutting off service to customers. Those shut-off moratoriums are ending this summer and soon utilities will once again impose service disconnections on households that fall behind on their bills. But the legacy of COVID-19 still hangs over Oregon. Many families are still reeling from the loss of loved ones. The pandemic's economic devastation continues to be deeply felt as well. Tens of thousands of customers are behind on their utility bills, in addition to other mounting bills.

CUB is hopeful that with the passage of HB 2475, Oregon will finally design new programs to address the problem of energy affordability. The end of the shut-off moratorium adds urgency to this problem. We look forward to working with our coalition partners to develop proposals and find solutions to make utilities in Oregon truly affordable for all.



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Power Shut-offs to Prevent Wildfires: Utilities Must Help Communities Prepare

Last Fall, in a period with high wind creating extreme wildfire risk, Portland General Electric shut off power in the Mount Hood corridor to ensure that its system did not cause wildfires. Such safety shut-offs (officially called Public Safety Power Shut-offs) have become all too common in California. Oregon can expect more of these in the future as our summers get hotter and drier. This year's dry spring and early summer heat wave were warnings that another difficult season for wildfires – and safety shut-offs - could be waiting in the wings.

The 2020 Labor Day fires, which devastated communities throughout Oregon, were unprecedented in their size, speed, and damage. 2020 also brought home the connection between electric utilities and fires. Wildfires can cause electricity outages, but an electric utility's distribution and transmission system can also cause wildfires.

While safety shut-offs may prevent wildfires, they also create additional public safety problems. Without power, many communities lose cell phone service, which makes it harder to coordinate an evacuation. In California, safety shut-offs sometimes last a few days, causing significant problems for customers who require electricity to manage medical conditions.

CUB is working at the PUC to help create safety shut-off protocols that manage how utilities communicate with local communities, identify those that are most vulnerable, provide community education before events, and coordinate with community partners. Utilities must be proactive. They must work with community partners to develop plans. They must communicate with customers so that households and businesses know what to do. They must ensure that vulnerable customers get proper notice. In short, they must ensure that Oregon communities are well prepared for a safety shut-off before it is called.