



Portland General Electric

February 19, 2015

Ms. Margaret Van Vliet
Oregon Housing and Community Services
725 Summer Street NE, Suite B
Salem, Oregon 97301-1266

RE: HB 2442—Modifications to the Oregon State Housing Council

Dear Director Van Vliet:

On behalf of Portland General Electric and Pacific Power, thank you for working with us to address concerns regarding the elimination of the State Housing Council's Advisory Committee on Energy (ACE) in House Bill 2442. We believe the ACE is an important forum for energy stakeholders, and for our low-income customers, that provides a critical point of transparency and accountability for our customers' energy assistance dollars.

Portland General Electric (PGE) is an electric utility serving over 800,000 customers in the Northern Willamette Valley. Pacific Power serves over 560,000 customers across much of rural Oregon. Our companies strive to provide safe, affordable and reliable electricity service to over half of Oregon's population. Because we provide a necessary and essential service to our communities, we have a keen interest in ensuring that programs supported by our customers' dollars for low-income and vulnerable customers are well-managed and effective. The ACE has provided us the primary engagement point with your department, our customers, assistance providers, and other key stakeholders to discuss and ultimately ensure program efficacy.

We appreciate the following commitments from your department:

1. **Transparency:** Regular quarterly reports documenting how funds are being expended within our respective service areas. This will enhance the transparency for the use of funds.
 - a. For example, Pacific Power found in the 2013 Annual Report that approximately \$8 million were collected from its customers, however, only \$5 million was expended on energy assistance programs. Long-term balances of these funds cause concern for us over the rate of collection and the distribution of assistance dollars.
2. **Accountability:** Creation of a subcommittee on energy where energy stakeholders, including utilities, will be invited to participate to ensure programs are in compliance with state and federal requirements, are working as intended and refined based on best practices. Our companies routinely ask for reporting that provides insight into trends within our service areas that help us work better with community action agencies, local governments, and directly with our customers. Federal

LIHEAP funding requires an oversight committee associated with the receipt and disbursement of low-income assistance. Federal statute codifies this requirement in §440.17:

§440.17 Policy Advisory Council

(a) Prior to the expenditure of any grant funds, a State policy advisory council, or a State commission or council which serves the same functions as a State policy advisory council, must be established by a State or by the Regional Office Director if a State does not participate in the Program which:

- (1) Has special qualifications and sensitivity with respect to solving the problems of low-income persons, including the weatherization and energy conservation problems of these persons;
- (2) Is broadly representative of organizations and agencies, including consumer groups that represent low-income persons, particularly elderly and handicapped low-income persons and low-income Native Americans, in the State or geographical area in question; and
- (3) Has responsibility for advising the appropriate official or agency administering the allocation of financial assistance in the State or area with respect to the development and implementation of a weatherization assistance program.

(b) Any person employed in any State Weatherization Program may also be a member of an existing commission or council, but must abstain from reviewing and approving activities associated with the DOE Weatherization Assistance Program.

(c) States which opt to utilize an existing commission or council must certify to DOE, as a part of the annual application, of the council's or commission's independence in reviewing and approving activities associated with the DOE Weatherization Assistance Program.

Furthermore, SB 1149 (1999) also refers to the ACE as part of a consultation to determine how funds are collected and allocated:

Section (7)(d) "The Housing and Community Services Department, in consultation with the federal Advisory Committee on Energy, shall determine the manner in which funds collected under this subsection will be allocated by the department to energy assistance program providers for the purpose of providing low-income bill payment and crisis assistance....."

We appreciate your willingness to have a thoughtful dialogue regarding our concerns and working with us to have them addressed in a positive fashion. We look forward to our continued conversation on this topic.

Sincerely,



Scott D. Bolton
Vice President, External Affairs
Pacific Power



Dave Robertson
Vice President, Public Policy
Portland General Electric

cc: Governor Kate Brown