



Oregon's Poverty Fighting Network

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ACCESS

- Clackamas County Social Services
- Community Action Organization
- Community Action Program of East Central Oregon
- Community Action Team
- Community Connection of Northeast Oregon
- Community in Action CAA
- Community Services Consortium
- Klamath-Lake Community Action Services
- Lane County Human Services Commission
- Mid-Columbia Community Action Council
- Mid-Willamette Valley Community Action Agency
- Multnomah County Department of County Human Services
- NeighborImpact
- Oregon Coast Community Action
- Oregon Human Development Corp.
- United Community Action Network
- Yamhill Community Action Partnership

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- Past President: Brenda Durbin
- Member-At-Large: Margaret Davidson

CAPO Executive Director

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March 19, 2015

FROM: Community Action Partnership of Oregon

IN RE: HB 2599

TO: Chair Fagan and the House Committee on Consumer Protections and Government Effectiveness

More than 110,000 Oregon households received energy assistance in 2014. The current system distributes the bulk of funding during Oregon's "heating" season. The season begins October 1 and ends in March 31. A bulk of the assistance funds come from LIHEAP, the federal energy assistance program, and those funds are largely distributed in October in preparation of the increased client load during colder months.

However, the funding is not adequate and many low-income families struggle to pay their utility bill and risk disconnection. HB2599 includes consumer protections that prevent Oregonians from utility disconnections. Community Action supports many of the consumer protections in the legislation: door-to-door collections, no Friday, Saturday, or Sunday cut-offs, and additional attempts at customer collection. Utility disconnections should be limited to protect individuals from long periods without service.

Many of these services are not without costs, and there are sections of the legislation that could drive up rates unreasonably. After several months of colder temps and high energy bills, coupled with the overwhelming need, Oregon's Community Action Agencies have very little funding by the end of the season.

The Community Action Partnership is concerned that a winter moratorium would only delay shutoff, which could be more detrimental to the low-income customer. Without the threat of disconnection, customers may be more inclined to disregard paying their utility bill. Without constant payment, customer arrearages may become unmanageable, and Community Action Agencies will be without funds to prevent disconnections once the moratorium

time has passed. The combination of high arrearages and lack of funding could create a situation where more Oregonians are





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without power for longer periods of time.

Additionally, there are significant utility system costs associated with credit and collection activities, and the write-off of uncollectible accounts is ultimately borne by all utility ratepayers. An increase in uncollected accounts could raise rates further on all customers, especially those that can afford it the least.

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