



Citizens' Utility Board
of Oregon

From the Desk of
Rod Monroe

Coal Is a Bad Investment SB 1547B Will Protect Customers

SB 1547B Responds to PUC Concerns with Strong Consumer

Protections: This new bill addresses concerns raised by the PUC, giving them the power to suspend the bill if there are reliability concerns and retaining their ability to use existing mechanisms to protect customers. The PUC will also be able protect customers from additional coal investments. CUB projects that this bill will not have much impact on rates, but the bill does retain the 2007 RPS 4% cost cap to protect customers should energy markets change. Finally, the bill ensures that Oregon will continue to invest in energy efficiency, our cheapest resource

Coal Is a Bad Investment: Maintaining the coal plants that currently serve Oregon will require more than \$2 billion in retrofits over the next 15 years. This is a bad and risky investment because the costs of operating these aging coal plants are increasing and it is likely that additional environmental regulations will require additional costs.

SB 1547B Is Affordable: Cost estimates suggest that this transition could increase utility bills by about 1%. But these cost estimates are based on the current costs of renewables, while the actual cost of wind and solar has been declining. If the cost of producing power from renewables continues to fall, then this bill will actually lead to lower bills.

Oregonians Do Not Want Our Money Invested in Coal: A survey of customers commissioned by PGE found that only 5% of their residential customers want PGE to pursue coal in its future energy supply. Customers know this is a bad investment. Additionally, a poll of likely Oregon voters conducted by FM3 Research released on Feb 1, 2016 shows that about 7 in 10 Oregonians support phasing out coal and increasing renewables to 50% by the dates stated in SB 1547B.

SB 1547B Ends Investment in Coal and Instead Invests in Renewable Energy: By setting out a timeline for PGE and PacifiCorp to phase out coal by 2030-2035 and increase the Renewable Portfolio Standard to 50% by 2040, SB 1547B ensures that customers will stop paying for coal. Instead customer dollars will be invested in clean, renewable energy. Much like the hydroelectric system that was built a generation ago, these new renewable resources will have no fuel costs and can provide decades of power that will get cheaper each year.

CUB Urges a Yes Vote on SB1547B

CUB was established by voters to advocate for utility consumers. CUB has saved ratepayers almost \$7 billion by challenging utilities' costs, policies, and investments.