



Oregon Citizens' Utility Board

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June 8, 2017

To: Co-Chairs – Senator Beyer and Representative McKeown
Co-Vice Chairs – Senator Boquist and Representative Bentz
Members of the Joint Committee on Transportation Preservation and Modernization
From: Janice Thompson, Advocacy Director, Oregon Citizens' Utility Board
Re: Delete Sections 138 and 139 from HB 2017

The Oregon Citizens' Utility Board (CUB) was created by a ballot measure in 1984 to serve as an advocate for residential utility customers. We work in the regulatory arena before the Oregon Public Utility Commission (PUC) as well as on legislative issues. For example, CUB was a key negotiator on the 2016 Clean Electricity and Coal Transition Act, SB 1547.

The goal of Sections 138 and 139 of HB 2017 seems to be encouraging investment by Portland General Electric and Pacific Power in transportation electrification infrastructure such as electric vehicle charging stations. The catch is that these investments are already occurring so this provision is not needed. CUB also opposes the proposed diversion of public purpose charge dollars, collected in a small surcharge from customers of these two utilities to pay for cost-effective energy efficiency. In short, CUB views these sections as being both imprudent and unnecessary.

The imprudent aspect of Section 138 and 139 is that if Portland General Electric and Pacific Power ratepayer dollars are diverted from their intended purpose for energy efficiency projects, then costs to all the customers of these utilities will increase. Energy efficiency opportunities continue to be cost effective and will be the cheapest resource around for quite some time. These investments save ratepayers more money than their surcharge payment because energy efficiency investments mean that these utilities do not have to purchase more expensive electricity. In addition, benefits aren't just realized by customers that undertake these projects because of these system wide benefits to all customers. For example, for every \$1 of public purpose dollars invested in energy efficiency projects, all ratepayers save \$3. It is also important to note that CUB opposes any diversion of public purpose charge dollars since this money supports renewable energy and other projects that also provide system benefits to all customers of Portland General Electric and Pacific Power.

The unnecessary aspect of Section 138 and 139 is that Portland General Electric and Pacific Power are already investing in transportation electrification infrastructure. With vigorous support from CUB, SB 1547 included a transportation electrification section requiring that these utilities propose additional infrastructure investments. These proposals are thoroughly vetted with extensive and expert stakeholder input before the Oregon Public Utility Commission and current review of Portland General Electric and Pacific Power proposals are nearing completion. Indeed, a change in the funding mechanism due to retention of Sections 138 and 139 would most likely lead to suspension of the current Portland General Electric and Pacific Power dockets with that process having to start all over again under the Sections 138 and 139 parameters. In other words, instead of being to start building the SB 1547 transportation electrification projects when the current dockets are wrapped up this summer, those projects would be delayed. Indeed, CUB is concerned that lines 5 through 8 on page 286 could preclude any further transportation electrification investments made under SB 1547.

CUB strongly urges deletion of Sections 138 and 139 from HB 2017.