



Oregon Citizens' Utility Board

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January 30, 2019

To: Members of the Joint Committee on Ways and Means Subcommittee on Transportation and Economic Development

From: Janice Thompson, Deputy Director-Oregon Citizens' Utility Board (CUB)

Re: Support for SB 5534

The Oregon Citizens' Utility Board (CUB) was created by voters via a 1984 ballot measure to advocate for residential customers of utility services. A major component of CUB's work is analysis and advocacy in regulatory proceedings before the Oregon Public Utility Commission (OPUC). CUB's positions on regulatory matters don't always carry the day with OPUC staff but we find them consistently thoughtful, hardworking, and committed to the important mission of this agency.

It is also important to note the valuable role played by the OPUC's consumer services group; the OPUC's management of the Oregon Universal Service Fund that supports provision of telecommunications services in high cost, frequently rural, parts of our state; and the OPUC's management of the Residential Service Protection Fund that ensures access to affordable telephone services for our disabled and low-income neighbors.

On these grounds alone, we would support SB 5534 regarding OPUC's budget.

However, I want to emphasize CUB's support for an increase in the current percentage cap of utility operating revenues for the fees that fund the OPUC's regulatory activities. Not only has the OPUC's regulatory work load increased, but those proceedings involve a growing number of challenging and complex regulatory issues. At the same time the OPUC's effective oversight of utility funded energy efficiency efforts have contributed to flat or only slowly increasing levels of energy utility company revenues. In other words, the OPUC's facilitation of energy efficiency has an inappropriate detrimental effect on its funding. CUB has been a vigorous support of cost-effective energy efficiency due to its significant benefits to the environment and customers and applauds the OPUC role in Oregon's energy efficiency leadership in the utility sector. An increase above the current .3% cap of operating utility revenue is needed to ensure that the OPUC's fostering of energy efficiency advances are encouraged and not hindered due to this agency's funding mechanism.

I regret not being able to testify in person, but this written statement of support is intended to convey CUB's strong support for SB 5534.