



Oregon Citizens' Utility Board

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To: House Committee on Energy and Environment

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

Re: Support for HB 2242

The Oregon Citizens' Utility Board (CUB) wholeheartedly supports HB 2242. Submitting only written testimony is just a reflection of a scheduling conflict that prevents my making a second trip to Salem to testify in person regarding this important legislation.

Oregon voters created CUB via a 1984 ballot measure to advocate for residential customers of utility services. Though not our sole focus, CUB has long advocated for programs addressing the needs of our low-income neighbors for whom energy utility costs can create financial hardships and related health and safety problems, particularly for elderly and disabled Oregonians as well as families with children. The social and common good value of low-income programs is the primary basis for CUB's support, but it is worth noting that utilities face costs related to payment problems, shut-offs, and reconnections that are better addressed by mechanisms that facilitate customers paying their bills in the first place.

CUB's support for HB 2242 is a logical extension of our past advocacy for low-income utility programs. More importantly, the solid record provided by the Public Utility Commission's SB 978 proceeding regarding a broader view of what constitutes an energy burden and environmental justice concerns linked to energy regulatory decisions bolsters our support. CUB participated in the SB 978 process that evaluated trends in energy utility regulation and business models and appreciated learning from environmental justice advocates. The SB 978 report highlighted climate change as well as affordability and equity as top issues for follow up action steps. HB 2242 is that action step regarding affordability and equity and legislative discussion of this bill should recognize the compelling record on these issues that is available on the Public Utility Commission (PUC) website.

CUB sees great value in having a dedicated voice within the PUC focused on low-income and environmental justice concerns. A Low-Income and Environmental Justice Advocate position does not represent a conflict with CUB's consumer advocacy role in utility regulatory matters and we would look forward to learning from this Advocate.

CUB supports facilitation of more equitable participation in utility regulation. The SB 978 process was far more robust in this regard than typical PUC proceedings and clearly demonstrated the need for more and ongoing efforts for expanded participation of typically underserved and unheard constituencies.

CUB supports providing PUC authority to explore rate design and other utility programs that address the needs of our low-income neighbors and other underserved customers. Two historical notes are that Oregon's landmark SB 1149 legislation adopted in 1999, a) created the Oregon Energy Assistance Program with funding support from all customers of Portland General Electric and Pacific Power, and b) included authority for low-income rate design. However, this rate design authority was evidently not placed in the correct section of the statute and never used. This provision of HB 2242, then, can appropriately be considered a housekeeping fix that carries out original legislative intent. The PUC is the appropriate venue for the public process to explore effective exploration and implementation of new low-income programs.

A final note is that HB 2242 will also facilitate finding innovative ways to ensure the participation of low-income households in Oregon's energy future. For example, improved technology such as smart thermostats will facilitate customer participation in energy system innovations and low-income assistance for such tools will ensure that these customers are not left behind as Oregon progresses towards a more resilient and environmentally sound energy future.

To summarize, CUB strongly urges a "yes" vote on HB 2242.