

Co-Chairs Dembrow and Power and members of the Joint Committee on Carbon Reduction, As a member of Physicians for Social Responsibility, I will simplify my testimony by saying that I agree with all the proposed amendments that PSR is recommending.

As a citizen who participated in the SB 978 process, I am proposing additional amendments. PUC Chairwoman Megan Decker and PUC Director of Policy Julie Peacock testified before the House Energy and Environment Committee on 2/5. They presented the SB 978 Report: Actively Adapting to the Changing Energy Sector.<sup>[1]</sup> Our activities led to a consensus that the PUC needed statutory changes to address climate mitigation and environmental justice in Integrated Resource Planning.

### **Recommended amendments to HB 2020:**

**To adequately address climate mitigation, HB 2020 needs to define “best available science” as that which:**

- **Maximizes the quality, objectivity and integrity of information, including statistical information;**
- **Uses peer-reviewed and publicly available data; and**
- **Clearly documents and communicates risks and uncertainties in scientific citations.**

**Nongovernmental entities that administer expenditures coming from proceeds collected from auctions; and from all statutorily mandated public purpose charges; and from additional tariffs directed by the PUC shall use best available science for climate change mitigation and environmental justice.**

### **Section 44: Establish the Office of the Low-Income and Environmental Justice Advocate in the Public Utility Commission.**

Discussion:

Section 15 of HB 2020 allows electric utilities to receive 100% freely allocated allowances until 2030. Sections 42 through 44 are provisions related to the Public Utility Commission. Section 43 directs the PUC to “require proceeds received by an electric company or natural gas utility from the sale of allowances directly distributed at no cost under sections 14, 15 and 17 of this 2019 Act” to be “used only for activities that serve to reduce greenhouse gas emissions or provide energy assistance to the electric company’s or natural gas utility’s retail customers,” consistent with the purposes of this Act.

The non-governmental entity that currently administers these programs is the Energy Trust of Oregon (ETO). Climate change and environmental justice is not written into the statutory language that enabled the creation of the ETO.

Regardless, the ETO makes these assertions<sup>[2]</sup>: *Our customers have saved and generated enough energy to fuel a clean energy power plant—an achievement with significant rewards for Oregon’s economy and environment. Benefits include \$7.6 billion saved on utility bills over time, \$6.3 billion added to the economy and 22.8 million tons of carbon dioxide avoided.*

How do they make these assertions about avoided carbon dioxide? In a request for more information on decarbonization, the 2019 Annual Budget and 2019-2020 Action Plan (p. 119)<sup>[3]</sup> states:

*We track carbon dioxide emissions avoided as a result of our investments. However, because our investments are not made on the basis of decarbonization goals, we don't address decarbonization beyond estimating carbon emissions that will be avoided.*

This has to change.

The ETO became operational in 2002, after the passage of SB 1149 in 1999.<sup>[4]</sup> This law established a mandatory public purpose charge (PPC) of 3% on electricity bills of Investor Owned Utilities (75% of the states' electricity customers<sup>[5]</sup>) that satisfies obligations of electric companies to invest in conservation, new market transformation and new renewable energy resources or new low-income weatherization.

SB 838, passed in 2017, authorizes the PUC to approve additional tariffs that are worked into the Integrated Resource Planning. Natural gas companies have a voluntary public purpose charge<sup>[6]</sup>, which is worked into their IRP and itemized as a public purpose charge on our bills. The incremental funding authorized by SB 838 exceeds the public purpose charge on our utility bills. The current budget for the ETO is \$200 Million. This screenshot shows just the energy efficiency programs.

	ENERGY EFFICIENCY PROGRAMS					
	PGE	PacifiCorp	Total	NWN Industrial	NW Natural	Cascade
<b>REVENUES</b>						
Public Purpose Funding	30,143,000	22,420,314	52,563,314		20,558,144	2,915,333
Incremental Funding	51,874,804	32,112,130	83,986,934	3,769,769		
Revenue from Investments						
<b>TOTAL PROGRAM REVENUE</b>	<b>82,017,804</b>	<b>54,532,444</b>	<b>136,550,248</b>	<b>3,769,769</b>	<b>20,558,144</b>	<b>2,915,333</b>

Section 44 has an equivalent stand-alone bill, HB 2242, to “consider differential energy burden and other inequities of affordability in rates.” This bill passed in the House Energy and Environment Committee where it was referred to Ways & Means. But Section 5 in HB 2242<sup>[7]</sup> includes language that establishes the Office of the Low-Income and Environmental Justice Advocate in the Public Utility Commission. This very important position should be included in HB 2020 legislation, as HB 2242 could be deemed redundant and die in committee.

Respectfully,  
Kris Alman MD