

January 30th, 2020

Dear Chair Power, Vice-Chair Sollman, Vice-Chair Reschke and members of the Committee,

Spark Northwest is pleased to submit written testimony in support of, and urges passage of HB 4067. Spark Northwest is a regional non-profit organization dedicated to creating communities powered by locally controlled, clean energy. Through our education, policy and technical assistance programs, we help connect people with direct opportunities to participate in and benefit from clean energy.

HB 4067 will help Oregon families better afford their energy bills through lower rates for residential ratepayers with lower incomes who most need the relief. It does three important things:

- 1) It gives the Oregon Public Utilities Commission (OPUC) authority to allow utilities to provide rate designs, such as discounts, that help reduce energy burden for low-income or other under-served customers.
- 2) It allows organizations who represent low-income and environmental justice communities, including rural communities, to access funding to participate in regulatory processes in the same manner as other broad customer groups, such as the Citizens Utility Board.
- 3) It also defines environmental justice and environmental justice communities in Oregon statute, providing needed clarity for policymakers and implementors.

HB 4067 will bring voices--particularly those least represented in OPUC process--from around the state into the decision making on the resources, rates, and programs of Oregon investor-owned utilities. Low-income, rural communities and communities of color are particularly burdened by energy and transportation expenses; this bill will give them a much needed voice related to issues that directly affect their well-being and livelihoods.

HB 4067 come from community advocates with support from PUC staff, utilities, and traditional regulatory stakeholders who were involved in a Public Utility Commission process initiated by SB 978, which legislators passed in 2017. SB 978 explored how investor-owned utilities are regulated and can adapt to a rapidly changing industry and policy environment. This process resulted in a report that identified climate change, affordability, and environmental justice as top priorities for reform.

Most importantly, HB 4067 allows the PUC to approve differentiated rates, such as discounts, that reduce energy burden (the percentage of someone's income that goes toward energy bills) for disadvantaged communities. Currently, rates are considered fair when they are broadly affordable, but this does not account for the fact that people have different levels of income and wealth and feel the effects of their energy bill differently. Fair is not the same as equitable. Oregon needs more targeted solutions to address affordability through differentiated rates structures that take into consideration the unique needs of specific communities- particularly communities who's needs have not been well



represented or addressed in the PUC process. Rural and coastal communities as well as minority and historically disadvantaged communities are often left behind in these processes and deserve a voice at the table.

Access to intervenor funding is critical to ensure that local communities voices are represented and heard in PUC proceedings, which are highly technical, numerous and time-intensive. The Investor Owned Utilities are reimbursed by ratepayers for their staff and legal team's participation in OPUC processes, ensuring fair and balanced outcomes requires having more voices at the table.

Sincerely,



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