



February 20, 2020

To: Senator Michael Dembrow
Chair, Senate Committee on Environment and Natural Resources

From: Max Greene, Regulatory & Policy Director, Renewable Northwest

Re: Support for HB 4067A

Dear Chair Dembrow and Members of the Committee,

Renewable Northwest is a regional, non-profit renewable energy advocacy organization based in Oregon, dedicated to the responsible development of renewable energy resources throughout the Pacific Northwest. Our members are a combination of renewable energy businesses and environmental and consumer groups. **Renewable Northwest supports HB 4067A, which would facilitate greater stakeholder engagement in utility regulatory processes and support a just transition to an electricity system capable of achieving Oregon's carbon and climate goals.**

Greater Stakeholder Engagement

HB 4067A amends ORS 757.072 by adding “organizations that represent ... [t]he interests of low-income residential customers or residential customers that are members of environmental justice communities” to the categories of organizations eligible for financial assistance from utilities to support engagement in regulatory proceedings. This form of financial assistance presently supports the engagement of groups such as the Citizens’ Utility Board of Oregon (“CUB”) and the Alliance of Western Energy Consumers (“AWEC”). Low-income and environmental justice communities, however, may have unique interests that would be best advanced through specific support to groups representing these communities.

Indeed, HB 4067A’s approach of providing funding for broader stakeholder participation in regulatory processes was supported by the Oregon Public Utility Commission (“the Commission” or “PUC”) in its September 2018 report to the legislature following the SB 978 process, in which Renewable Northwest played an active role.¹ Moreover, this approach is consistent with the Oregon Environmental Justice Task Force’s recommendation that “[m]eaningful involvement requires ... ensuring that impacted communities not only have the

¹ See Oregon Public Utility Commission, *SB 978: Actively Adapting to the Changing Electricity Sector* (Sept. 2018), e.g., on page 3 the Commission announced that it would “implement a strategy for **engagement and inclusion in PUC processes**, particularly from community based groups new to the PUC ... including by promoting discussion of new funding mechanisms for participation” (emphasis in original).

technical ability but also the resources to meaningfully participate” in public processes.² HB 4067A would bring these thoughtful recommendations to fruition.

Just Transition

Moreover, at a time when renewable resources are out-competing traditional generators on cost, HB 4067A does two important things: first, it amends ORS 757.230 and explicitly allows the PUC to consider differential energy burdens on low-income customers and environmental justice communities in its approach to utility regulation; and second, in Section 4 it initiates an investigation into potential solutions for differential energy burdens including demand response and efficiency measures.

It is likely that identifying demand-response and efficiency measures that reduce energy burdens for low-income and environmental justice communities will also facilitate greater adoption of renewable resources. Demand-response measures can serve as a key part of clean-energy portfolios that recent research suggests provide the same capacity and resource-adequacy benefits as traditional thermal generators but at a lower cost and with dramatically lower greenhouse gas emissions.³ And efficiency measures (including weatherization) help to reduce evening peak electric load at times when solar generation is winding down and other resources must ramp up to meet demand; as such, they too play an important role (along with other resources such as energy storage) to meet system needs without recourse to thermal resources. Moreover, it is very possible that demand-response programs integrating smart appliances and other forms of managed load in low-income and environmental justice communities could both reduce differential energy burdens and support greater integration of renewable resources.

Helping both to address differential energy burdens and to bring more renewable energy onto Oregon’s system, reducing greenhouse gas emissions and mitigating climate change, is an important element of a just transition as our electricity grid undergoes rapid changes. For this reason and those set forth above, Renewable Northwest supports HB 4067A.

Sincerely,

Max Greene
Regulatory & Policy Director
Renewable Northwest

² State of Oregon Environmental Justice Task Force, *Environmental Justice: Best Practices for Oregon’s Natural Resource Agencies* (Jan. 2016).

³ See Rocky Mountain Institute, *The Growing Market for Clean Energy Portfolios* (2019), available at <https://rmi.org/insight/clean-energy-portfolios-pipelines-and-plants/>.