



6899 NE Columbia Blvd, Suite A, Portland, OR 97218 | (t)  
503.290.8570 | info@verdenw.org

Chair Power, Vice-Chair Brock Smith, Vice-Chair Helm, and Members of the House Energy and Environment Committee:

RE: HB 2475 — Energy Affordability

Verde is proud to support HB 2475, as we have worked hard to pass this bill for three sessions. HB 2475 will expand resources to support the participation of crucial, but traditionally marginalized voices in utility regulation, and help to alleviate energy burden by allowing the Public Utility Commission to authorize lower rates for families who can least afford their energy bills. These are things that any legislator can and should be able to get behind, this bill is an opportunity to make positive change around energy and the environment from both sides of the aisle, and it is unfinished business from last session.

HB 2475 is also an important step toward COVID relief, especially for communities in South Eastern Oregon who are the most energy burdened in the state according to the Biennial Energy Report from the Oregon Department of Energy (*Fig. 1*). The below map was created before COVID to depict energy burden, the share of someone's income that goes toward energy bills, across Oregon. What is striking is how significant the impact is in every county in the state, and also that this map has likely gotten redder since the pandemic began.

In a recent study, 4.8 million Americans, a number greater than the population of our state, could not pay at least one energy bill during COVID<sup>1</sup>. We already know that Black, Latinx, and Indigenous communities are the most energy burdened, but survey analyzed in the study found that those communities were especially hard

---

<sup>1</sup> <https://phys.org/news/2021-01-covid-energy-insecurity-low-income-americans.html>

hit, and that of the people who participated 25% missed a bill and 10% were disconnected across demographics. This was especially exacerbated for families who experienced a COVID case.

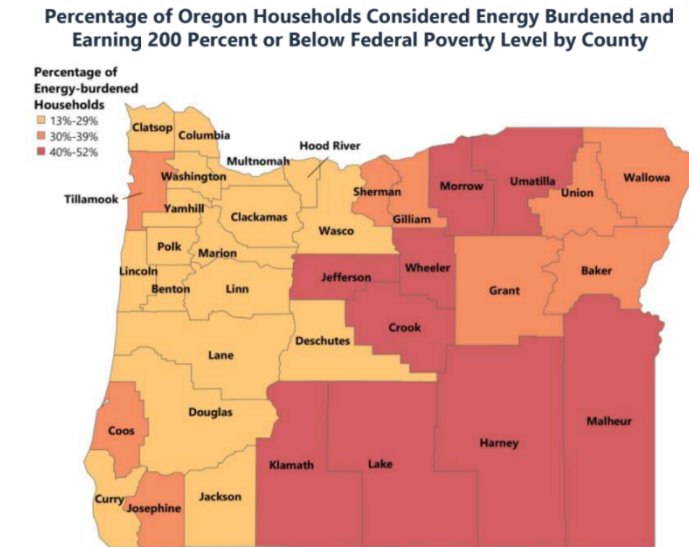


Figure 1: Biennial Energy Report Energy Burden Map<sup>2</sup>

Energy burden has a significant impact on our communities and on local economies. When someone is behind on their energy bill, in arrearages, they are more likely to become homeless or resort to payday loans. For an organization like Verde that is fighting displacement and building wealth in communities, we must advocate strongly for policies that better balance benefits and burdens. And at present the burdens are inequitable and untenable in energy rates. Oregon Housing and Community Services found that the average energy affordability gap, the difference between the average bill for low-income ratepayers and a bill that would be equivalent to 6% of their income is \$631 per household and in total nearly \$350,000 for the state<sup>3</sup>. A targeted approach to affordability would directly address and alleviate energy burden and help ensure that people do not have to make choices between paying their energy bills and meeting other needs like medicine and food. It would help people to bolster flagging local economies and keep our communities whole.

<sup>2</sup> <https://energyinfo.oregon.gov/ber>

<sup>3</sup> <https://www.oregon.gov/puc/utilities/Documents/LIUPWG-2018-Final-Report.pdf>

It is worth noting that differentiated rates are not a mandate, nor does this bill ask the PUC to make many targeted rates. HB 2475 merely opens a new toolbox that has been badly needed in the past year. HB 2475 is an extension of SB 978 (passed by legislators in 2017), an example of how environmental justice can be incorporated effectively into regulatory conversations. SB 978 instigated a public process to explore how investor-owned utilities are regulated and could adapt to a rapidly changing industry and policy environment. Verde participated in SB 978 along with two other community-based organizations, the Coalition of Communities of Color (CCC), and OPAL Environmental Justice, and together, we amplified both affordability and environmental justice as key issues, educating the Commission, utilities, and other stakeholders in the process. The process culminated in a report which identified climate change in addition to those other two arenas as top priorities; and the Commission indicated what actions it could be taken internally and immediately, and also, what direction it needed from the legislature . HB 2475 is an accurate embodiment of the necessary statutory changes identified to advance affordability and environmental justice in utility regulation.

Verde has advocated tirelessly for HB 2475 and its previous iterations, because it is essential to advance our work, and to advance environmental justice more broadly. Environmental justice is grounded in the idea that there some communities are impacted disproportionately by environmental and health hazards but least able to participate in public process and influence decision-makers to mitigate these harms. All legislators represent at least some environmental justice communities, who are, as defined in the bill: Black, Indigenous, and other communities of color, tribal communities; communities with lower incomes; rural, coastal, and communities who are under-resourced, dependent on natural resources, and sometimes geographically isolated; and people who are more generally under-represented in public process such as seniors, youth, and people with disabilities. HB 2475 would help ensure that these communities can help influence policy and regulation so that it draws from their lived experiences to solve everyday problems and create new opportunities. These

should be the most important and valued voices in our work, because they know on the ground what will and won't work.


HB 2475 addresses the resource barriers that exist for environmental justice communities around public process. Verde, CCC, and OPAL were only able to be present through a pilot expansion of intervenor funding, a current funding stream sustainably recovered from broad ratepayer classes to advance their interests through advocates who appear before the Commission. This is the funding that allows the Citizens' Utility Board and the Association of Western Energy Consumers respectively to represent residential and large/industrial retail customers. But sometimes, broad interests do not capture the nuances and needs of specific communities who might be disproportionately and adversely affected by rates, resource siting and acquisition, or program design. These are not special interests, but rather people struggling to get by with the odds stacked against them. In particular, black, indigenous, and communities of color live in places that lack economic opportunity, suffer poor environmental conditions, and lack consistent resources for meaningful community engagement. This is not dissimilar to rural, coastal, or frontier communities, and often, as Verde, we find ourselves aligned across political divides around shared frustrations, experiences, and work to help our communities support themselves and seek new opportunities.

Without the SB 978 intervenor funding pilot, we would not have had capacity to travel to Salem and spend hours in workshops, and there were almost no rural, coastal, or frontier voices at the table -- for whom our resource burdens were exacerbated -- and only a few folks engaged in a few meetings by phone. It is imperative that the intervenor funding pilot be made permanent and more extensive in order to increase the number of organizations who can access Commission proceedings and make participation more sustainable across dockets. This pot of funding must be substantial in order to be significant. The Jemez Principles for democratic organizing, which may also be applied to developing just climate and energy policy, highlight

inclusivity -- that all people should be able to access decision-making processes -- and that people should be able to speak for themselves or be represented by someone who is responsible to that community. We also believe that intervenor funding should not be restricted in ways that privilege only one organization from a particular community which might create winners and losers who have different views of a particular issue our political leaning. Intervenor funding should be expansive enough to bring all parties who wish to the table on any proceeding that impacts their community.

We cannot achieve our energy goals and pursue a more flexible and modern grid while the benefits and burdens of the transition are not distributed equitably. It matters who has access and power to influence decision-making, whose voice is reflected through policies. Verde advocates in the regulatory space because we want to build power for our communities both figuratively and literally. We urge you as members of the House Energy and Environment Committee to vote in favor of HB 2475 in order to increase funding to support community-based organizations in the regulatory space, and allow the PUC the authority to approve differentiated rates that alleviate energy burden.

Sincerely,



Climate and Energy Policy Coordinator  
Verde