

**Oregon Citizens'
Utility Board**

Consumer Experience of Engaging in Rate Process and Effects of Rate Increases

Before the Oregon Senate Energy and Environment Committee on

May 30, 2024

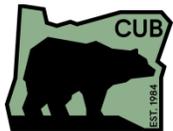
By Bob Jenks, Executive Director

About CUB

CUB is an independent membership-based, nonprofit organization that advocates for residential utility consumers. For 40 years, we have worked to keep Oregon utilities affordable, accessible, reliable, and clean.



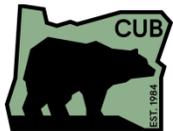
CUB was founded in 1984 by a grassroots ballot initiative.



Our Impact

Our work helps make utilities better for Oregon households.

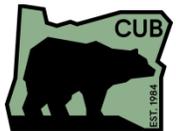
- Utility consumers have saved nearly \$10 billion since 1984.
- Expanded investment in high-speed internet for rural Oregon.
- Customers kept utility service during the pandemic and secured more than \$59 million for bill relief.



April 2024: Unprecedented Disconnections

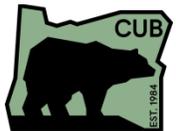
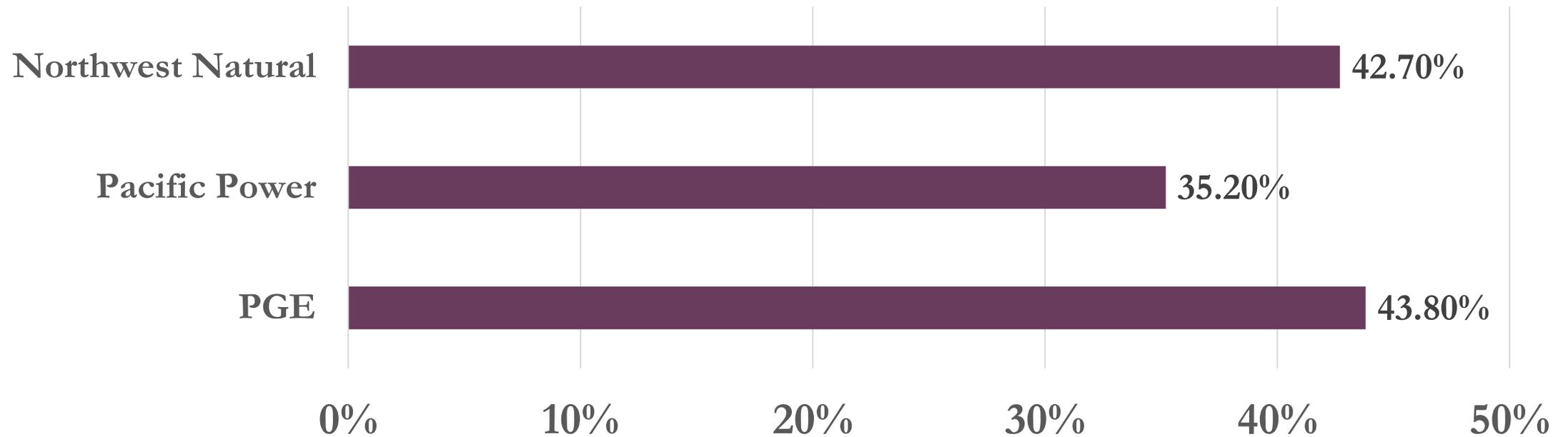
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Residential Shut-offs



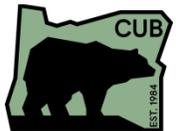
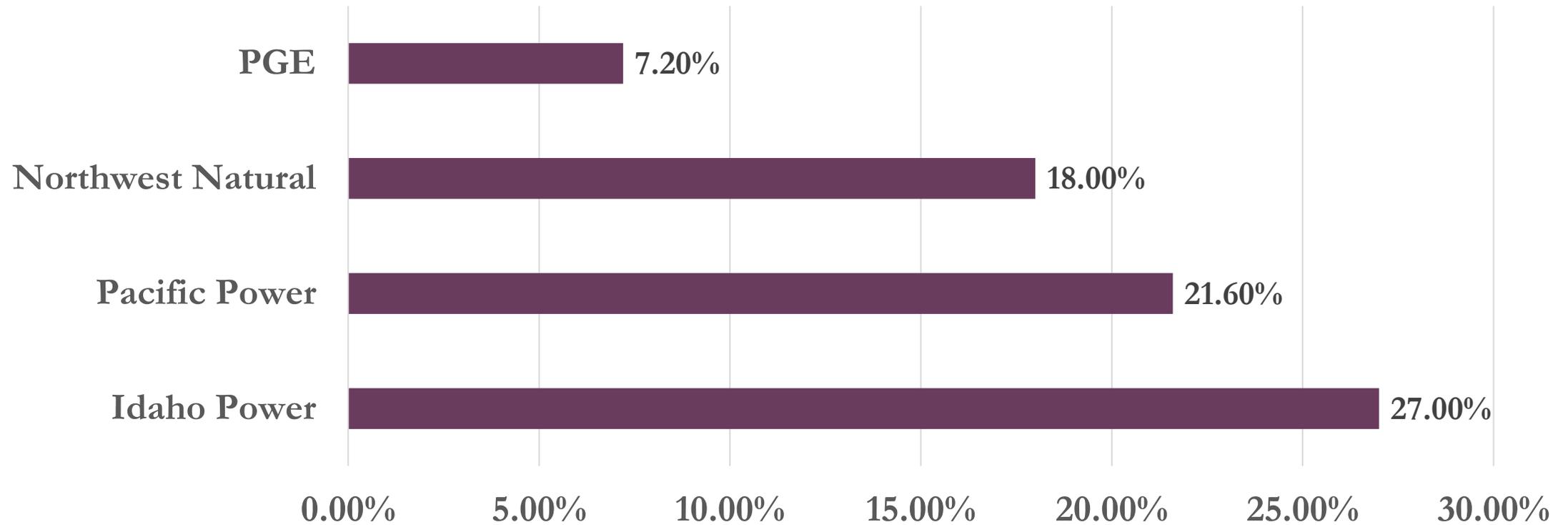
Residential Rate Have Increased

Residential Rate Increases 28 months: Oct 2021-January 2024



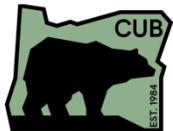
More Increases are Coming

Rate Increase Proposals



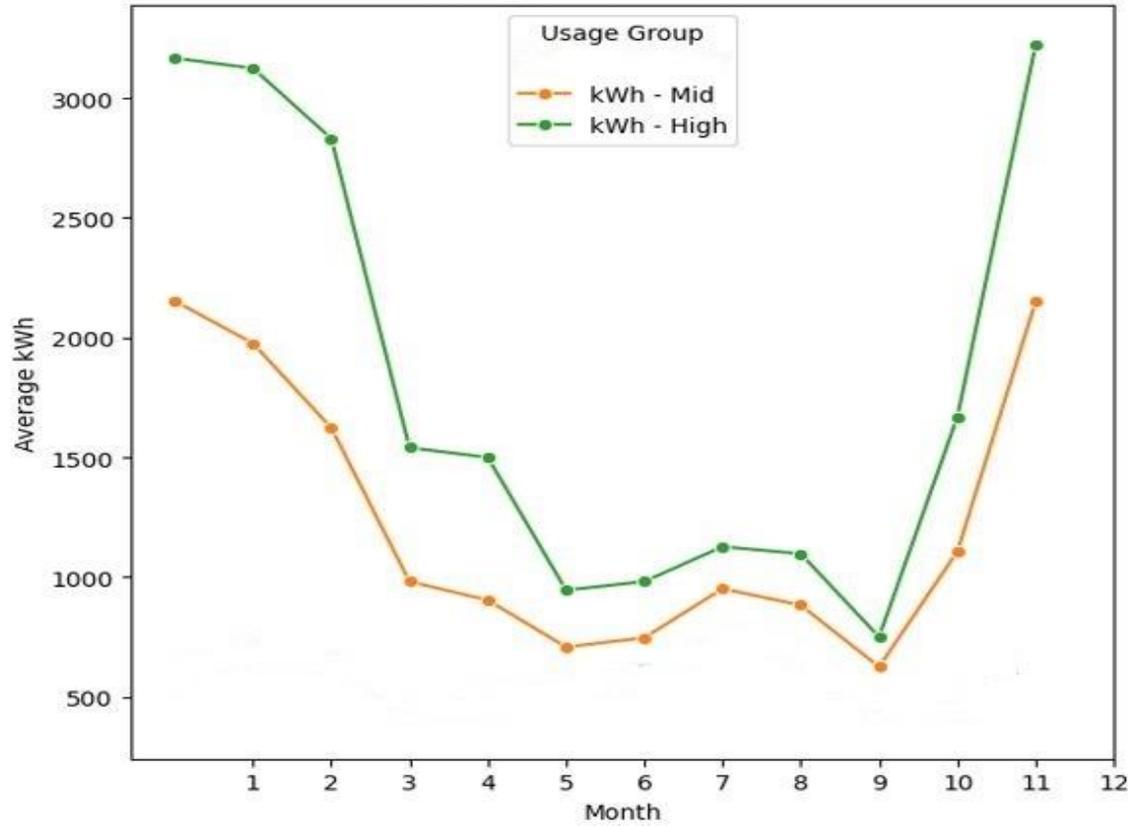
Reasons behind the rate increases

- Inflation
- New Large Loads (Server Farms...)
- Wildfire Mitigation and Liability
- Existing Infrastructure Replacement
- Transmission
- Utility Incentive to Grow/Invest Capital

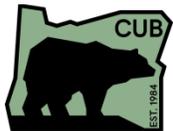
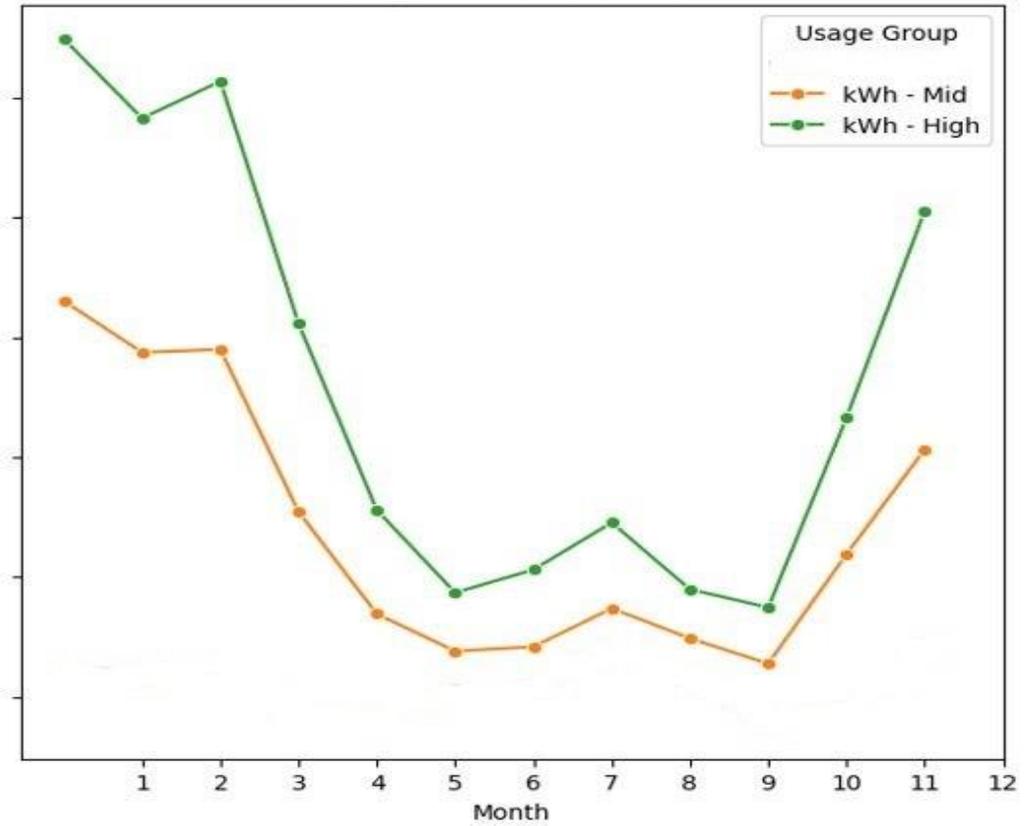


Increases always happen in the winter

Average kWh - Year 2022

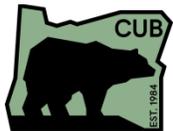


Average kWh - Year 2023



Utility Regulation Focuses on Utility Needs, Not Customers

- **Rates Always Change In Winter**
- **Too Many Single-issue Proceedings**
- **Size Of Rate Increase Not Known Until November**
- **Utilities Cost Recovery Dominates The PUC Agenda**
- **Relitigating The Same Issues Nearly Every Year**



Alternative: Center the Customer

- Cap Rate Hikes
- Move Rate Increase Out of Winter
- Expand Bill Discount Programs
- Targeted Weatherization and Efficient Heating

- **Commission-led Investigation Into Ratemaking:**
 - **Multi-year Rate Case (What Gets Updated?)**
 - **Performance Based Regulation**
 - **Other Reforms**

