



Oregon Citizens' Utility Board

610 SW Broadway, Suite 400
Portland, OR 97205

(503) 227-1984
www.oregoncub.org

January 18, 2023

To: House Committee on Climate, Energy, and Environment

From: Jennifer Hill-Hart, Policy Manager, Oregon Citizens' Utility Board (CUB)

Re: House Bill 2021 (2021) Implementation

Good afternoon, Chair Marsh, Vice-Chair Emerson Levy and Vice-Chair Bobby Levy, and members of the Committee. My name is Jennifer Hill-Hart, last name spelled: Hill-Hart. Thank you for the opportunity to speak about the implementation of HB 2021.

As Bob said, HB 2021 reimagined the utility planning process. The idea was to bring in community input, examine impacts on communities – both positive and negative– and with this input set priorities and develop plans.

CUB, along with other stakeholders whose representation includes environmental justice communities, municipalities, energy businesses and, of course, utilities, have been actively engaged in the PUC's Clean Energy Plan investigation docket, which is designing this new planning process. CUB is grateful for the hard work PUC staff has put into leading this complex and important investigation, especially Caroline Moore and Heide Casewell. And we recognize the time and thoughtfulness stakeholders and PGE and PacifiCorp have put in as well.

In particular, the environmental justice advocates who provide critical perspectives, including on accessibility at the Commission and what utilities can and should do to meaningfully engage communities in planning processes. As was the intent of HB 2021. This was made possible by your direction in HB 2021.

We've made a lot of progress since the commission opened its investigation into how to implement HB 2021. Commission staff laid out a detailed work plan and has regularly sought, considered, and incorporated stakeholder feedback into its analysis. Right from the start.

- There have been several workshops and many opportunities to provide comment, informal and formal, in writing and in-person.
- Representatives of environmental justice and low-income communities are actively engaged in the investigation, many who are learning about the utility planning process as they go—no easy task, but they have caught on quickly.
- The PUC brought in consultants to assist with the more technical aspects of the investigation. This has made the utility planning process more robust and more accessible to stakeholders who historically haven't been at the table.

While it's been a lengthy process, CUB appreciates the level of detail and thought put into the HB 2021 implementation investigation. As Bob mentioned, this is an ambitious bill – Oregon is leading the nation in emissions-reduction legislation. This bill set a precedent for others to follow, as such we have an opportunity and obligation to get it right.

We are all still working through some issues and concerns raised by some stakeholders. There are requests for clarification around terminology, Commission authority, surrounding renewable energy credits, and the weight of the Commission's clean energy plan guidance. And we believe the PUC will resolve these issues.

Environmental justice advocates want to see a clear path to ensuring that community benefits and energy justice are central to this transformation of the grid, instead of in the margin. And that Oregon's electric utilities are meaningfully developing and engaging with the Utility Community Benefit Impact and Advisory Groups, including advocating that the community members asked to be part of these groups understand what is involved and how their input will be implemented into the utility planning processes. And for both the PUC and utilities to do more targeted outreach to Tribal Councils and leaders.

Environmental justice advocates are also emphasizing that climate impacts put additional pressure on the grid and on communities and want to see a clear path for increased resiliency, especially in communities with high levels of vulnerability to outages and other system disruptions. Environmental justice advocates and CUB would like to see utility guidance include asking utilities for specific analysis of integration of distributed energy resource penetration and energy efficiency. There is an expectation that the PUC and the utilities will continue to take these important aspects of the work seriously in this process.

The Commission issued a Notice of Proposed Rulemaking last month for procedural rules for the CEPs. So, we haven't gotten to evaluating Clean Energy Plans yet. I know this process is slower than many would like, but the work is getting done and we're getting there. And if you ask old hands at PUC, like Bob, they know these big processes can be frustratingly slow, but also intentional and meaningful. Just as important as meeting the emissions goals is developing a careful and intentional process to make sure utilities are developing clean energy plans that are affordable, now and in the future.

We have new stakeholders who are learning as they go, and this makes the planning process longer than the typical planning process. But this is a good thing. Now representatives of marginalized and historically excluded groups have a place to address and have a say in planning the energy future of their communities. And the process benefits from learning their perspective.

Importantly, **the utilities' obligation to meet the first emissions reduction goal, 80% by 2030, remains.** As such, it is critical that we get these first clean energy plans correct. To do that, PAC and PGE need clear guidance on what to include. And stakeholders need to understand what's required for the PUC to acknowledge the plans. We are leading the nation in these efforts and that is not by happenstance. It's because of Oregon's forward-thinking values and bold policies. Thank you for being a big part of that.