

Hello,

In 2020, SBUA staff has intervened in PacifiCorp's general rate case on behalf of small businesses in the Oregon Public Utility Commission. The electric utility asked to raise the price of electricity it provides to all of its customers including residential, small business, large business, industrial, and others. SBUA is the only party representing the perspective of small business.

There are almost 83,000 small business customers served by PacifiCorp which does business as Pacific Power in Oregon. This is the second largest customer group behind residential customers. So small commercial customers play an important role and also have a vital stake in the outcome of this rate case.

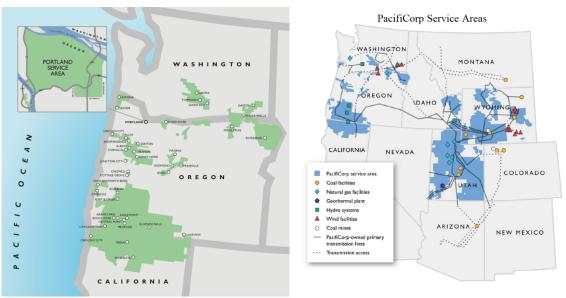


Image: Map of PacifiCorp's territory in Oregon and the northwest (curtesy of PacifiCorp).

PacifiCorp is proposing a rate increase for small businesses but without any addded value benefits as it will be offering the same price design and services it has previously provided to you, the small business owner. If the Oregon Public Utility Commission approves PacifiCorp's proposed price increase for the whole region i.e. residential, small and large businesses, then overall average rates will increase by 5.4% or \$78 million. However, if this were broken out by segment small business customers will be paying higher than average with a 5.8% increase in utility rates. If a small business had a monthly electric bill of \$100, this price increase would increase the business's monthly electric bill to \$105.80. This increase does not seem like much, but it adds up—this would increase that business's yearly electric bills by \$69.60, for a total of over \$5,000,000 for Oregon's small commercial customers.

SBUA has recommended to this proposed rate to ensure that the small business owner receives additional value for paying more. For context, both residential and large business received a new pricing pilot and updated time of use pricing mechanism while the small businesses had no additional benefits. SBUA is there to negotiate benefits for small businesses for the price increase.

Also, PacifiCorp is raising the cost of electricity based on little to no data specific to small commercial customers despite having the technology to do so. SBUA wants PacifiCorp to base its price proposal on current or at least pre-COVID-19 data specific to small commercial customers.

SBUA also learned that PacifiCorp has no reports about or outreach to its small commercial customers and SBUA wants to see more information from the utility tailored to this customer group.

For transportation electrification and small business customers using electric vehicles, SBUA is exploring how Schedule 23 may benefit from a specific pilot for this customer class.

Achieving Oregon's clean energy policy, which benefits everyone in spurring economic development, reducing greenhouse gas emissions that contribute to climate change, reducing air pollution that contribute to health problems, and reducing dependence on imported fuels.

But when setting utility prices, the law says each customer class should only pay its fair share of the costs of service. Different customer classes may have different costs. Oregon's small commercial customer should not be paying to subsidize other customer classes in Oregon or customers in other state jurisdictions. SBUA is making sure that this PacifiCorp rate case will be fair and reasonable to small commercial customers.

SBUA recommends that PacifiCorp:

- Provide more price incentives and pilot projects to small businesses like those offered to residential customers. For example, investigating for small business a split of the basic charge into two categories for small business in smaller building facilities and businesses in larger building complexes.
- Invest in more outreach and research regarding small commercial customers.
- Report regularly and specifically related to Schedule 23 to track the use of incentives and also the impacts of COVID-19.

Contact Diane Henkels at <u>Diane@utilityadvocates.org</u> or Ellie Hardwick at <u>Adelaide@utilityad-</u> <u>vocates.org</u> for more information. You can access PacifiCorp's general rate case (UE 374) <u>here</u>. https://utilityadvocates.org/news-and-resources/