

SBUA Newsletter - Fall, 2021 SBUA News and Resources

Greetings SBUA Members!

The purpose of this newsletter is to help prepare you for a meeting and public comment to the Public Utility Commission of Oregon (OPUC) on November 17, 2021 at the Special Public Meeting on COVID-19, to review the Energy Trust 2022 Budget and offer comment, and learn what the PGE rate case means for small business customers. We want to make sure that our members and all small businesses are treated fairly as the OPUC establishes rates and policies for a post-pandemic environment removing carbon from Oregon's energy supply. Our team will be reaching out to you to make sure that your voices are heard.

SBUA Update for Small Businesses in Oregon

RE: UM 2114 COVID-19 Pandemic and Utility Customers:

Small businesses and small business supporters can reach out to the Commission before the Public Meeting and at the public meeting to remind the Commission of how the pandemic has impacted small business and any concerns you have.

Since our last newsletter contact regarding COVID-19, SBUA engaged an expert to help describe impacts present and future on small business of the OPUC approach to resolve the disruption caused by the pandemic, and to make recommendations. Recall these are both electric and natural gas customers of Avista Utilities, Cascade Natural Gas, PGE, Pacific Power, Northwest Natural Gas.

COVID-19 stressors on small business are 4-fold including:

- The ongoing focus on doing enough business to pay bills
- Paying down and off any unpaid bills--"arrearages"
- The future impact on small commercial rates of the small businesses that are having difficulty paying their bills (e.g. the 60+ and 90+ day arrearages) AND -
- The amount small business will be asked to bear for the COVID-19 impacts on residential customers, including costs of arrearage management plans.



SBUA suggests the following:

- --The maximum amount small commercial customers re utility costs incurred from COVID-19 should be charged is the amount that is already provided for in the rates. Without any increase in actual costs due to the cessation of charging late fees and performing disconnects, any rate recovery of the suggested imputed revenue above the amount embedded in rates would clearly result in a shareholder windfall.
- --Small business should not subsidize residential bad debt. Since small business is such an important part of Oregon's many communities it is important that the PUC limit any recovery of COVID-19 related bad debt expense from small business to be no greater than the percent of the bad debt that is attributable to small commercial customers.
- --Rather than focusing just on a "minimal" number or percentage of disconnections of small commercial customers, as cited above, we need information on cost data supporting disconnection and late fee charges.
- --It would be best if prudence review principles for small commercial customers and COVID-19 could be worked out in one docket, UM 2114.
- --The PUC should direct its Staff to convene a workshop regarding the above issues of small commercial utility customers and COVID-19 in light of above comments.

ACTION ITEM: Attend the COVID-19 Public meeting is November 17, 2021 9:30 a.m.

Send public comment to: puc.oregon.gov

Label subject "UM 2114 COVID-19 Public Comment" Call in comment to: 503-378-6600 or 800-522-2404

Public meeting Zoom link and other info:

https://oregonpuc.granicus.com/GeneratedAgendaViewer.php?view_id=2&event_id=647

Please send us your stories of how the pandemic has impacted you and your business good and bad!



Follow up from the UE 374 Pacific Power Rate Case:

Recall the problem that the utility included very little data and rate options to support its small commercial rate proposals, unlike with the residential or industrial customers. We met with PacifiCorp dba Pacific Power staff re its Marketing Education & Outreach ("ME&O") and also re "rate spread and rate design". And we shared with the utility solid research on the best ways to reach small business with the Company's ME&O. In our Small Business Energy Forum (9/29/21), we had great input from several businesses responding to a poll re effective Marketing Education & Outreach (ME&O). SBUA Business education sharing occurred in this one hour webinar you can view by clicking here. Note correction: Small commercial customers are the second most numerous customer group in PGE and Pacific Power territories.

Thanks to Mike Shea, Soderstrom Architects, Dave Price, Small Business Development Center (SBDC--central coast), Ron White, BESThq (business consulting), Mary Ann Aschenbrenner, Waterlink Web (web design), Brenda Keomany, Status Accounting, Tim Park (communications)

Here's a summary of the poll results:

Question #1 re which utility: Everyone responded that they were either Pacific Power customers or did business regularly with other businesses served by that electric utility.

Q#2 re preferred outreach method: Preferred outreach method is an emailed newsletter, personal contact, followed by mailed brochures, frequent contact works best and texts blasts were the least preferred.

Q#3 re preferred frequency for a utility to do outreach to maximize engagement w/programs. Most responded with quarterly, followed by monthly and biannually.

Q#4 re which Pacific Power programs were known to respondents, three had heard of Blue Sky, and no one reported hearing about Wattsmart, the deferred payment plan or prior to that day, Schedule 29.

Q#5 re the most *important energy or utility related topic most impacting the small businesses today?* Most agreed that cost was the biggest issue along with reliability and reducing greenhouse gases.

Q#6 re how important it is to reach small business with better quality technical



information about energy and utilities? Scale 1-10 - 1 (not important) to 10 (essential)

All votes were seven or above, with two deeming it essential (10).

<u>ACTION ITEM:</u> Do you agree with these conclusions, why or why not? Let us know by emailing: <u>diane@utilityadvocates.org</u>

The utility sent SBUA an informational report exploring potential alternate rate design changes for Schedule 23 customers and we found that the different rate design incentives like time of use options need to yield more substantial savings to be meaningful for small businesses to decide to choose a different option.

UE 394 Portland General Electric Rate Case

SBUA is weighing in on the UE 394 PGE Rate Case and has noticed the following:

The Company proposes to raise small commercial rates as the highest among the customer groups. The Small commercial Rate Schedule 32 has 94,649 customers with 1,576,157 MWH sales. Current rates are \$202,510,144 with all supplementals except LIA and public purpose charge (PPC) and proposal is to increase rates \$15,892,365 or 7.8 percent. Also, SBUA is reviewing rate design time of use options.

The proposed rate increase includes a "decoupling mechanism rate". SBUA will explain "decoupling" in the future but it is designed to make up for loss of sales due to decreased electricity consumption from energy conservation.

Energy Trust of Oregon Draft 2022 Budget

SBUA submitted written comment on the Energy Trust 2022 draft Budget. We appreciate emphasis on small business, including COBID certified and especially for businesses owned by Black, Indigenous, and Peoples of Color, and suggested the budget language could be written to be more accessible to business people. The draft Budget incorporates recent bills like SB 3141 that reduce the energy conservation budget and the public purpose charge (from 3% to 1.5%). See more information *November 16, 2021 at 1:30pm Energy Trust public meeting* can be found here.



SBUA has also advocated to ensure small business is represented in the Energy Trust Conservation Advisory Committee, especially, and the Renewable Energy Advisory Committee, in addition to the Diversity Advisory Committee.

Pacific Northwest Power and Conservation Plan

Federal law requires the Power and Conservation Planning Council to update the Northwest Power Plan every five years. <u>The draft 2022 Plan is here</u> and offers an interesting technical perspective on power in the Pacific Northwest.

The plan includes several key provisions:

- an electricity demand forecast;
- electricity and natural gas price forecasts;
- an assessment of the amount of cost-effective energy efficiency that can be acquired over the life of the plan; and
- a least-cost generating resources portfolio.

SBUA noticed the Council used <u>this web information</u> to extrapolate the information re small commercial, but that there are big differences between that 2018 data and now, and there is more to be explored and gained working with small commercial customers in the area of energy efficiency and demand response. SBUA these points in oral comment and will send written comments to <u>comments@nwcouncil.org</u> by 11/19/21.

Portland Clean Energy Fund (PCEF)

<u>SBUA</u> is thankful for a PCEF Minigrant to work on issues following up from this busy <u>year</u>. SBUA is working hard to make sure that small businesses are treated fairly in this process and focuses the PCEF moneys on Portland's small business community.

If you are a small business supporter in Portland and wish to attend the COVID-19 Special Public Meeting (11/17/21), or the Energy Trust of Oregon Budget Meeting (11/16/21), please contact SBUA at diane@utilityadvocates.org to learn if we can apply PCEF funds to help pay you for your time.



Thanks to Todd Kimball, Andi T. Rex, and Berthy Nyembo working to follow up for SBUA. One of them will be in touch w/you.

TBD: SBUA's OREGON 2021 ANNUAL MEETING: to recap 2021 and plan 2022.