

May 2022 SBUA Oregon Update

We are proud of SBUA's having been selected as a Purposeful Project partner with BESThq in 2022! https://besthq.net/purposeful-projects/ Here is our new 1.5 minute video that tells you what we do: <u>https://www.youtube.com/watch?v=HwLl0eG5Gr4</u> Thank you to our SBUA Oregon members who are included!

RATE CASES +++++++COVID-19 & RULEMAKING ++++++ENERGY TRUST++++++SBUA OREGON ANNUAL MTG

Remember that our state legislators passed huge energy bills in 2021 that will result in ratepayers paying in their power and natural gas bills the costs of decarbonizing Oregon's energy supply. SBUA is advocating that these costs be vetted well and allocated FAIRLY and REASONABLY for all small business and especially small biz customers of Pacific Power, PGE, Northwest Natural Gas, Avista Utilities, Cascade Natural Gas & Idaho Power.

Please send comments to the Public Utility Commission and also to your state legislators with your input! Information and talking points are included here below in the Pacific Power Rate Case, treatment of COVID-19 costs, and rule revisions regarding disconnections and late fees.

RATE CASES

May 24, 2022 6 pm PacifiCorp dba General Rate Case–UE 399 <u>Public Utility Commission ("PUC") PUBLIC COMMENT HEARING</u> <u>Make comments</u> by Zoom or Phone: 1 971 247 1195 Meeting ID: 823 8399 1218 Passcode: 4884093995 Zoom Link: <u>https://opuc-state-or-us.zoom.us/j/82383991218?pwd=WUIWTGxZUVVuZGZhbXc0WU9</u> <u>OSWpsZz09#success</u>

Northwest Natural General Rate Revision Case – UG 435–a good Public Comment time re COVID-19 costs (see below)

PACIFICORP DBA PACIFIC POWER RATE CASE ("UE 399"):

Here are the numbers per the utility's proposed changes:

-Small commercial would have a base change of 10.3% and a net change of 9.5%, more than any other customer except large agricultural pumping. Residential would have a base change of 12.6% but a net change of 9.1%---LESS than small commercial.

-Large commercial and industrial customers would pay only 5.9% more. See this link to see who these customers are: https://edocs.puc.state.or.us/efdocs/HAP/um2033hap155454.pdf



Did you know that small commercial customers in several PacifiCorp's service territory zip codes are facing COVID-19 arrearages (unpaid bills) ranging from \$1,000-\$3,000 apiece ?!!

After extensive work in the last rate case 2020 to identify possible rate designs that could be made for small commercial customers, Pacific Power proposes NOTHING new for small business. Rather the utility wants the small businesses to pay MORE than other customers for the transition from coal. And the small businesses will be asked to pay MORE than the residential customers (& much more than the industrial or large commercial) even though the small businesses received NOTHING during COVID. Disappointing.

The PUC is having a public meeting Tuesday 5/24 6 pm by Zoom.

<u>Tell the Commission the utility should do more for small business and to incorporate the</u> tools learned from the last rate case such as worthwhile time of use rates.

AND LET YOUR LEGISLATOR KNOW that you are a small business utility customer and tell them you are concerned that small business are treated fairly in Oregon's transition from fossil fuel based energy supply.

NORTHWEST NATURAL RATE CASE ("UG 435"):

Northwest Natural Gas Company known as "NW Natural" has asked the Oregon Public Utility Commission (PUC) permission to raise NW Natural's rates 9.7% for its small commercial customers.

SBUA notes this about this NWW Natural Gas rate case:

-The utility proposes small commercial customers to receive the highest increase in rates of all ratepayer consumers.

-A portion of the small commercial, the largest users, is being subsidized by the rest of the class, so SBUA recommends the utility change that by creating a different class.

--The PUC Staff is asking that small commercial pay part of the costs of the COVID-19 relief provided to residential customers. That is approximately \$20 million that the PUC Staff would have small business help pay even though small business were not included in any of the programs paid for by those funds AND the PUC Staff thinks the utility should benefit by receiving all the LATE fees even if there was no cost incurred, and that small businesses should have to pay a portion of those late payment fees that residential customers would otherwise pay. This is NOT FAIR because standard ratemaking principles would have each ratepayer class bear their own expenses, AND the utility should not charge a late fee where there is no cost associated. See this article that cites our expert: Food or power: Energy bill late fees force tough choices - ABC News (go.com)

Washington and California did not treat their small businesses as unfairly.

-PUC Staff does not bother to differentiate between large commercial and small commercial in the analysis so essentially treating Safeway and a community hardware store or a dry cleaners similarly.

-SBUA is successful in seeking permission to obtain intervenor funding but the Commission placed significant limitations on this which continues to create difficult conditions to work.



INVESTIGATION INTO THE EFFECTS OF THE COVID-19 PANDEMIC ON UTILITY CUSTOMERS (UM 2114 Update): the Commission must treat small commercial customers fairly!

SUPPORT SMALL BUSINESS at the 6/9/22 Public Meeting re the PUC Division 21 Rules dealing with late fees, disconnections, deposits and reconnections.

Contact your legislator and tell them to send a public comment asking them to support send public comment to support small business and SBUA. Tell the Commission that small commercial customers should not be having to pay the costs of the COVID-19 of residential ratepayers ! Tell them small businesses are also part of the environmental justice communities that have suffered disproportionately in the pandemic. Tell the Commissioners that you support what SBUA is doing to support small business and get fair and reasonable rates for the small commercial ratepayers and the Commission should welcome that.

Recall that the devastating economic & social impacts of the COVID-19 pandemic led the PUC to conduct a rigorous investigation process with utility companies, customer groups, & other stakeholders. SBUA continues to fight to prevent unfair rate increases due COVID-19.

The COVID-19 work has caused the Commission to proceed with a revision of Division 21 rules. This rule revision is highly critical to our small commercial customers as rules define utility regulation impacts through disconnections, protections, late fees, reconnection fees, utility programs eligibility, etc. SBUA remains involved in this rules revision process filing comments to ensure the new rules include more protections for small commercial customers. SBUA reminds the Commission that late fees are considered regressive and not based on standard utility ratemaking where costs should serve as the basis for rate increases, and late fees just for the sake of late fees, or to induce customer payments are regressive.

We see some positive results in the Commission Staff favoring more wildfire and extreme weather protections for small commercial customers, and also equal payment plans for small commercial customers too. See Staff's Draft Rules from 5/11/22 here: https://edocs.puc.state.or.us/efdocs/HAH/ar653hah165752.pdf

Of big concern to SBUA are zip codes with the highest and longest arrearages from COVID-19 reporting: SBUA has taken advantage of these monthly reports and has analyzed the persistent arrearage balances for small commercial customers and arranged them by the top zip codes with highest arrearage balances. Using this data SBUA used further government sources such as the Environmental Protection Agency's EJ Screen tool to help illustrate the environmental justice aspects of these zip codes. Our research has shows correlation between the gathered zip codes and their relationship to environmental stressors.

SBUA is shedding light on small business customers in this zip codes to OPUC staff, utility companies, & stakeholders to demonstrate how environmental justice communities with a small commercial customers are important members of environmental justice communities and as ratepayer they must be treated fairly with many of the same protections as residential ratepayers within these communities.



See certain SBUA Small Commercial Zip Code observations here—go to page 3: <u>https://edocs.puc.state.or.us/efdocs/HAC/um2114hac162646.pdf</u>

Energy Trust of Oregon Energy Conservation Updates for Small Commercial Customers

The purpose of the Energy Trust of Oregon (ETO) has been to provide utility customers with incentives and support on energy saving and renewable energy projects. Noticeable program updates from the Conservation Advisory council include a a departure from staff historically focusing on agricultural and industrial programs to increase service to rural small businesses onto a shift for a diversity requirement onto program management contractors to ensure at least 20% of the contract dollars are spent on firms that are certified by the Certification Office for Business Inclusion & Diversity (minority & women owned businesses).

The success of incentive & budget limitations implemented in 2021 has allowed the ETO to increase incentive & active project limits for select programs so small commercial customers may better promote their businesses. Programs such as Business Lighting, Existing Building, & Production Efficiency have had noticeable increases of \$250,000 incentive project limits.

ETO is offering standard & custom bonus incentives for select gas-saving equipment for existing commercial, industrial, & multifamily properties in Oregon. To qualify for this offer equipment must be purchased on or after March 1st and installed on or before September 30, 2022. The ETO has recently announced its roundup of spring 2022 commercial & industrial incentive increases which includes new upgrades to their business lighting, existing buildings, & industry and agriculture incentives programs. Click the links below for more information to qualify any questions you may have!

https://insider.energytrust.org/roundup-of-spring-2022-commercial-and-industrial-incentive-in creases/?the-program=existing-buildings

https://insider.energytrust.org/roundup-of-2022-incentive-updates/?the-program=news

SBUA Oregon Member Meeting June 24 at noon or June 25 at 9. TBD Please join us for a one hour update! We'll be calling you soon.

CONTACT SBUA OREGON AT <u>GUILLERMO@UTILITYADVOCATES.ORG</u> OR <u>DIANE@UTILITYADVOCATES.ORG</u>

