

May 13, 2021

Public Utility Commission of Oregon 201 High St. SE, Suite 100 Salem, Oregon 97301

## RE: UM 2114 - Support for Recommendation #3 in May 6 Staff Memo

Dear Chair Decker, Commissioner Tawney, and Commissioner Thompson,

Our organizations would like to express our support for staff recommendation #3, the Paragraph 28 advisory committee, which would analyze and discuss approaches to arrearages management, including alternatives to disconnections. Below we offer our requests regarding the interaction between this committee and other provisions of the UM 2114 Stipulated Agreement, the scope of the committee's considerations, and the resources provided to the committee.

As advocates for Oregon's energy-burdened ratepayers, who are disproportionately BIPOC, low-income and rural community members, we are excited to work with the PUC's DEI Director to generate permanent and equitable alternatives to disconnection. We believe our neighbors should always have dependable power and clean water when needed - regardless of the financial pressures that confront them. In fact, other jurisdictions have implemented alternatives to disconnections that guarantee energy and water access for residential customers, such as shutoff bans for vulnerable populations and guaranteed minimum allowances.

As commissioners have acknowledged in past UM 2114 meetings, **disconnections do not impact all Oregonians equally.** In 2015, BIPOC households in the United States were over twice as likely to experience energy insecurity as white households, and up to three times as likely to receive a disconnection notice.<sup>1</sup> In 2018, low-income Oregon households spent as much as 38% of their monthly income on energy bills alone, and over 40% of residents in Oregon's most sparsely populated counties

<sup>&</sup>lt;sup>1</sup> U.S. Energy Information Administration, "Table HC11.1 Household Energy Insecurity, 2015," revised May 2018, <u>https://www.eia.gov/consumption/residential/data/2015/hc/php/hc11.1.php</u>.

were energy-burdened.<sup>2</sup> We are encouraged by the PUC's willingness to explore alternatives to this inequitable practice.

There are many opportunities available to relieve energy burden and reduce the prevalence of shutoffs post-moratorium, including HB 2475, the "Energy Affordability Act" that would allow for differentiated rate designs based on energy burden and other factors impacting energy affordability. There is also momentum building for "the eventual *elimination* of utility disconnections," as the NAACP report cited in the PUC staff memo urges.<sup>3</sup> We are optimistic that the advisory committee will be a forum for productive conversations that will result in a visionary final report this December. **To ensure that the conversation is as creative as possible, we make the following requests:** 

- We urge the advisory committee to aim to identify and recommend policies that would permanently end disconnections for residential customers based on an inability to pay.
  - An essential part of this request is **that the advisory committee be directed to also consider legislative avenues for implementing alternatives to disconnections.** This will allow the committee to consider options that exceed the PUC's current authority. To ensure well-informed conversations on this topic, we request that legislators be invited to committee meetings as participants and/or panelists.
- As requested at the May 5 workshop, we request that the moratorium be extended until the advisory committee has a chance to recommend immediate measures to minimize the number and impact of shutoffs following the moratorium's expiration. We believe that recommendations #1 and #3 can and should complement one another.
- Finally, we request that the PUC allocate sufficient funding to ensure that the advisory committee's conversations are as robust as possible. Sufficient funding could cover compensation for experts who present to the committee, including those with lived experience of disconnections. Specifically, the committee might benefit from expert presentations on such topics as:
  - The data and history of disconnections in Oregon,
  - The economic and noneconomic factors that can contribute to a residential customer's inability to pay,
  - The effects of disconnections on disconnected customers, communities with high rates of disconnections, other ratepayers, and utilities,
  - Other jurisdictions' attempts to end disconnections, and
  - The estimated costs and benefits of potential recommendations to ratepayers, utilities, state agencies, and other relevant parties.

<sup>&</sup>lt;sup>2</sup> Oregon Energy Fund, "New Data Shines a Light on Oregon's Energy Burden," March 26, 2019, <u>https://www.oregonenergyfund.org/oregon-energy-burden-study/</u>.

<sup>&</sup>lt;sup>3</sup> NAACP Environmental and Climate Justice Program, "Lights Out in the Cold: Reforming Utility Shut-Off Policies as If Human Rights Matter," March 2017,

https://naacp.org/wp-content/uploads/2020/07/Lights-Out-in-the-Cold\_NAACP-ECJP-4.pdf, p. iii, emphasis added.

In conclusion, our organizations are excited to work with the commission to create a more just state, in which Oregonians' human rights are not denied simply because they cannot afford a bill. We appreciate the commission's bold vision of a future without disconnections, and we hope that our requests will be enacted to ensure productive, generative conversations about the role of disconnections in our state.

Sincerely,

Aaron Salzman, Ecumenical Ministries of Oregon Alma Pinto, Community Energy Project Alessandra de la Torre, Rogue Climate Richenda Fairhurst, Southwestern Oregon Chapter of The Climate Reality Project Andrea Axel, Spark Northwest Silvia Tanner, Multnomah County Office of Sustainability