



NW Energy Coalition

for a clean and affordable energy future

May 12, 2021

Oregon Public Utility Commission

Attn: Chair Megan Decker, Commissioner Letha Tawney, Commissioner Mark Thompson
Via email: puc.publiccomments@state.or.us

Re: UM 2114, Investigation into the Effects of the COVID-19 Pandemic on Utility Customers, May 13 Special Public Meeting on the Moratorium

Dear Commissioners,

We appreciate the opportunity to comment on staff's memo¹ and support the Commission's deliberation on a decision with serious implications for human life, but also incredible opportunities in the long term to improve our energy system, collaboration, and relationships. Our comments proceed in three parts.

1. Objectives
2. Recommendations and Rationale
3. Conclusions and Considerations for the Future

Objectives: These are the considerations through which we have evaluated Staff's proposals in the public meeting memo.

1. **The Commission should make all efforts possible to protect the hardest hit ratepayers first.** Staff's memo highlights some ways in which utilities are encouraged to think beyond average arrearages, general vaccine trends, and typical customer experiences; we believe these encouragements should result in short- and long-term commitments, should protect hardest hit ratepayers before others, and should endeavor above all else to keep customers connected.
2. **We are striving to imagine solutions beyond those used in the past.** We believe that the crises of this past year (e.g. covid-19, wildfire, winter storm), and the discrepancies they have underscored, necessitate operating differently. We have appreciated our utility partners', Commissioners', staff's comments and efforts along these lines so far, as well as the tireless leadership of organizations representing the hardest-hit Oregonians.
3. **We seek flexibility and transparency in the data and decisions put forward by the Commission,** and believe this general public accessibility to be integral to achieving our climate and equity goals. We are appreciative of the flexibility the Commission is encouraging on behalf of customers who have entered into payment arrangements with utilities or who are seeking energy assistance, though we believe a more formal approach is necessary to ensure as few customers as possible fall through the cracks. We are grateful for the data and analysis utilities, the Commission and Oregon Housing and Community Services have begun to publish on a zip-code level. Such analysis is time-consuming and has had its efficiency and usability called into

¹ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&event_id=583&meta_id=29399.

question, but we believe it paramount to begin to institutionalize these efforts. We further suggest:

- a. The Commission endeavor to **more clearly illustrate the correlations between wealth and arrearages by zip code** (without considering disconnections), **and how this is tied to race/ethnicity**.
- b. Utilities submit Excel-form **disconnection-by-zip-code data** to the Commission, to more clearly allow for third-party analysis (right now, submissions are published in PDF form²).
- c. **All utilities formalize “warm calls” to energy assistance providers**, not only to improve relationships going forward, but to minimize burden on providers.
4. **We seek to account for the full array of costs and benefits of any possible decision**, as requested in our jointly-signed April 16 letter to the Commission³. Staff’s response to some of our requests was that utilities have not been collecting the data requested during the current period, or that such requests are outside staff’s predictions or the scope of the covid-19 agreement⁴. We continue to believe that an approach that considers the costs of administering these programs should also account for the savings in avoiding disconnections, reconnections, and collections costs. These savings should be easily determined based on past operations.

Recommendations and Rationale: Motivated by these objectives, we have collaborated on a proposal with CUB, which will be submitted concurrently, that would:

- 1) Increase arrearage relief funding up to 2% of 2019 revenues for gas utilities, and 2.5% for electric utilities, to be focused on customers who are 60+ days past-due, but especially those 90+ days past-due.
- 2) Where possible, directly apply this relief to customer accounts that have accumulated past-due bills between March 2020 and September 2021, without requiring customer engagement.
- 3) Encourage the continued rollout of arrearage management plans (AMPs) between now and September 30, after which point, forgive remaining arrearages per point 2.
- 4) Implement a winter moratorium on shutoffs between October 2021 and April 2022.

We make these recommendations based on:

1. The amount and readiness of funding sources.

- a. There is significant uncertainty regarding when the funds mentioned in staff’s memo will be available to the state, let alone to energy assistance providers, and finally to people, such that we do not believe a one-month extension to be sufficient.
- b. The money that staff’s memo outlined is not available to all people who need it, even if they are able to overcome application barriers. Restrictions on energy assistance can eliminate undocumented Oregonians, those who received a stimulus check, or those above 60% of state median income.
- c. The money that staff’s memo outlined must be available to customers throughout the winter heating season, and even after a year of unprecedented catastrophes. It should not be used to solely address currently accumulated arrearages.

² <https://apps.puc.state.or.us/edockets/docket.asp?DocketID=22658>.

³ <https://edocs.puc.state.or.us/efdocs/HAC/um2114hac93213.pdf>.

⁴ <https://apps.puc.state.or.us/orders/2020ords/20-324.pdf>.

2. **The current state of economic and public health indicators, particularly for those hardest hit by covid-19.** While the joint stipulation and staff's memo focus on the economy and health metrics for the state as a whole, those who have been hit hardest by the pandemic and other long-term socioeconomic burdens are far from recovery. We reference the Bureau of Labor Statistics' research on k-shaped recovery as an illustration⁵. The comments stakeholders offered staff about vaccine access and exposure at last week's moratorium workshop underscore these statistics.
3. **A desire to trust the process.** We have seen that customers are eager for financial support without the threat of disconnection, and that utilities are finding new ways to be in touch, directly or indirectly, with select groups of customers in their service territories. So as not to betray trust, and to continue to launch and improve culturally responsive arrearage management programs, we would like this process to continue with increased funding and without the threat of disconnection. The latter often results in insurmountable burdens to households, even if the number of households who are ultimately disconnected is a small percentage of those who receive notices.

Conclusions and Considerations for Future Work

We are grateful for the consistent progress and openness of the Commission and our utility partners. On May 11, we hosted a small member meeting, during which our utility members, board and organizational members provided feedback on how the Coalition should continue engage in covid-related conversations at the Commission. It was clear that **creative approaches to meeting customers' financial needs will be required** to ensure minimal rate impacts and equitable distribution of the costs and benefits of this pandemic, and we look forward to participating in these conversations in the future. Among other tools, this might include considering shareholder responsibility, acknowledging the wide array of corporate borrowing opportunities (which are not available to individuals), securitization, and amortizing over a longer term than is referenced in Staff's memo. It was also clear that we needed to advocate for **more time and financial resources** to support hardest hit ratepayers first, though **utilities are eager to move-on from covid-19 related conversations so they can focus on other disaster relief and potential rate impacts**. We believe the approaches outlined here and in our joint proposal are the best options to accomplish our objectives.

Respectfully,



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⁵ <https://www.bls.gov/osmr/research-papers/2021/ec210020.htm>.