

Sarah Hall and Eric Shierman
Oregon Public Utility Commission
VIA Email

November 5, 2021

RE: Joint comments responding to the UM 2165 October 20, 2021 workshop and October 29, 2021 request for public comment

The undersigned organizations appreciate Commission staff and stakeholders' work to accelerate investments in transportation electrification (TE). A significant amount of stakeholder input has been provided through workshops and written comments over the last six months and we are hopeful that the stakeholder feedback will be meaningfully incorporated into the interim guidance and upcoming rulemaking. In an effort to continue supporting the goals of UM 2165, we've outlined several additional recommendations in response to the items presented during the October 20, 2021 workshop and the October 29, 2021 request for public comment.

Definitions

HB 2165 (2021) directs Portland General Electric (PGE) and Pacific Power to invest more than 50 percent of the monthly meter charge revenue for the benefit of underserved communities. The interim guidance will define underserved communities but a few terms require additional consideration. We've provided feedback to help inform the development of the interim guidance.

Communities of Color:

We recommend correcting the definition of communities of color to reflect the originally cited definition from the City of Portland, "Communities of people who are not identified as White, emphasizing common experiences of racism". We also would like to flag that people who may be categorized as White in Census data but do not fit in the euro-dominant group may also experience racism, for example, "White" middle easterners who experience islamophobia or "White" hispanics who experience xenophobia.

Low Income:

We recommend defining low-income customers for the purposes of the interim guidance and rulemaking in a manner that maintains flexibility. To ensure that the program can be designed to increase access and support outreach and equitable outcomes, it might be helpful to define low-income customers specific to each program.

Tribal Communities:

Oregon has nine federally recognized tribal nations and several unrecognized tribes. We recommend considering including groups who are not officially recognized by the federal or state

government but who identify as historically, culturally, and or genetically related to historic Native American tribes.

Adverse Harm from Environmental and Health Hazards:

We recommend considering the EPA EJScreen Tool as an initial tool to identify communities that may experience adverse harms from environmental and health hazards.¹ In the absence of a state environmental and health indicator tool, we recognize that there are some uncertainties with the data used in the EPA EJSCREEN Tool and caution against solely using the EPA EJSCREEN Tool to identify environmental justice communities. However, until a state environmental and health indicator tool is created, as a starting point, customers adversely harmed by environmental and health hazards could be identified as customers located within a census tract with an EJ Index at or above the 80th percentile.² Any guidance or rules should include an option to utilize alternative environmental and health indicator tools (e.g., local air quality monitoring data and analysis or the Oregon Housing and Community Services Affordable Housing Assessment tool).³ Options to utilize alternative environmental and health indicator tools should include a process for stakeholders to provide input and the Commission to approve the use of the tool for the purpose of complying with HB 2165.

Given the current uncertainties regarding data accuracy, we do not recommend the use of EPA EJSCREEN Tool as a long-term solution and strongly encourage the creation of a statewide tool to serve in properly identifying communities adversely harmed from environmental and health hazards.

Lastly, utilities should be able to use a reasonable portion of the 50 percent earmarked to support underserved communities for capacity building and participation of underserved communities and organizations representing underserved communities, including low-income service providers, community-based and community service organizations, non-profit organizations, and tribes in the development of utility TE programs. This should be reserved for underserved communities and organizations representing underserved communities; utilities should refrain from using these funds internally on administrative expenses related to outreach efforts.

Prudence Review

During the October 20th workshop, PGE asked Commission staff what, if any, criteria will be relied upon by the Commission in a later prudence review. More detail about what the Commission may analyze in a prudence review may be valuable to stakeholders who have not traditionally followed this type of

¹ <https://www.epa.gov/ejscreen>

² An EJ Index is the combination of a single environmental indicator with the demographic index.

³ See the “Transportation Burden - Census Tract” layer of the Oregon Housing and Community Services Affordable Housing Assessment tool.

<https://njcep.maps.arcgis.com/apps/webappviewer/index.html?id=18c4e8f1082e4a039f69401386e06e32>

Commission process. We feel this topic should be addressed in more detail in order to avoid setbacks in utility TE investments, which can result from regulatory uncertainty.

Specifically, if there are benefit cost analysis requirements the Commission would like to consider on the use of the monthly meter charge revenue, they should be outlined in the interim guidance and subsequent rules and should align with the following principles:

- A benefit cost analysis (BCA) should be assessed on a portfolio basis.
- The BCA requirements should closely match BCA requirements for ratepayer dollar investments (non-monthly meter charge investments). This will help streamline the use of multiple revenue sources (i.e. monthly meter charge revenue, clean fuels program revenue, or other ratepayer dollars) to support single programs or a portfolio of programs.
- If a traditional cost effectiveness test is determined to be necessary, a Ratepayer Impact Measurement (RIM) test should not be utilized. Programs that perform well under a RIM test are primarily low-cost for the utility and provide substantial new revenue. These two factors do not necessarily make for beneficial utility programs and can even result in an inequitable distribution of benefits to customers.

Draft Interim Guidance - Budget Approval Process

We appreciate the opportunity to comment on the draft interim guidance and offer the following feedback for consideration.

- We support staff's proposal for the monthly meter charge budget to be reviewed as a part of the entire TE portfolio budget after 2022. To further maximize stakeholder engagement and holistic planning, we recommend the budget approval process be included in the Commission's consideration of TE plans.
- Staff's proposal to include a forecast of expected revenue and a forecast of expenditures by program in the budget is reasonable, as is the requirement to forecast spending on underserved communities.
- Staff's proposal around reporting annual revenue and spending is reasonable. The compliance filing should be made annually, including years when the utility files a TE plan. However, we support the timeline for compliance filings proposed by Pacific Power.⁴
- We agree that the City of Portland's Pricing Options for Equitable Mobility (POEM) model and the community engagement principles of the Greenlining Institute provide useful guidelines to engage with and meaningfully incorporate input from underserved communities.

Implementation Pathways

If a 2022 rulemaking can incorporate stakeholder input provided in the UM 2165 workshop process and can be completed expeditiously, we would support moving forward with Option 2 of the proposed

⁴ "PacifiCorp recommends annual compliance filings due no later than May of the following year."
<https://edocs.puc.state.or.us/efdocs/HAC/um2165hac82123.pdf>

implementation pathways.⁵ At a minimum, we recommend addressing the following items in the 2022 rulemaking:

- Develop a method for determining total TE portfolio budgets and how portions of the TE portfolio budget should be allocated to different program areas. The budget should include expenditures covered by the monthly meter charge, as included in Staff’s proposal, as well as any additional spending beyond the monthly meter charge amount.
- Establish BCA requirements, if necessary.
- Identify outcome-based metrics to assess utility progress towards specific outcomes or targets and portfolio performance targets to indicate how a utility intends for a portfolio to perform.
- Determine criteria for evaluating and reporting on rate and bill impacts.
- Establish criteria for relevant technology standards, accessible payment method standards, and charging station reliability reporting.
- Develop additional TE Plan requirements. Since the TE Plans will need to include more detail about future utility TE programs, the rulemaking should outline items to be included to create clear expectations for utilities and stakeholders. Past confusion has set back meaningful utility TE investments and we don’t have the luxury to delay any longer. The climate crisis, threat to public health, and the need to reliably serve all customers warrant immediate TE investments.
- Ensure the rules align with the legislative intent of HB 2165 (2021) to establish *minimum* investments in TE.⁶ **The rulemaking should support the development of TE portfolio budgets beyond what is required from the monthly meter charge.**

Conclusion

We appreciate the UM 2165 process and the shared goal to build the foundations of a new framework for utilities and stakeholders to guide equitable TE investments. We understand the work to bring new voices to the table takes time as well as trust building and we encourage the Commission to continue the work to make these processes more accessible.

Respectfully submitted,

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⁵ See slide 25 of the October 20, 2021 workshop presentation.
<https://edocs.puc.state.or.us/efdocs/HAH/um2165hah82957.pdf>

⁶ Section 2(5) Funds collected and expended pursuant to this section shall be a minimum investment in transportation electrification and may not limit the amounts that may otherwise be collected by an electric company in rates to recover the costs of prudently incurred investments that support transportation electrification.

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