July 14, 2021

RE: UM 2165 June 30th Public Workshop, Request for Written Comments

Oregon Public Utility Commission,

The undersigned offer this letter as a follow-up to the June 30th workshop and for consideration in the development of the remaining public workshops and design of the transportation electrification investment framework.

We are encouraged by the Public Utility Commission's efforts to help ensure stakeholders have a broad understanding of the current barriers to utility investments in transportation electrification (TE) and various benefit-cost analysis practices. We understand the purpose of UM 2165 is to establish the foundations of a new framework for utilities and stakeholders to guide future TE investments, resulting in the proposal of a new TE investment framework.

Early in this process, several stakeholders have expressed interest in ensuring the new TE investment framework centers equity and Section 3.C (2) of EO 20-04 directs all state agencies to prioritize actions that will help vulnerable populations and impacted communities adapt to climate change impacts. This is characterized in Portland General Electric's comments, stating they hope this process will provide greater clarity to *support an equitable transition to electric mobility* (emphasis added).[1] With this in mind, we recommend that the Commission attempt to develop, through UM 2165, a collective understanding of this frequently referenced concept to help guide the development of the TE investment framework. To support this effort, we recommend a set of foundational considerations.

Establishing a Shared Understanding of an Equitable Transition to Electric Mobility:

First, we acknowledge the following:

- As essential service providers, electric utilities must play a meaningful role in addressing inequities in the transportation and energy sectors that disproportionately burden Black, Brown, and Indigenous communities. An equitable transition to electric mobility discussed under UM 2165 should focus on areas and issues the electric utility has the ability and authority to address.
- Ensuring an equitable transition to electric mobility will likely require different considerations for different stakeholders, and will evolve over time.

[1] https://edocs.puc.state.or.us/efdocs/HAC/um2165hac162747.pdf

In order to establish what an equitable transition to electric mobility looks like and then evaluate a TE portfolio's performance in supporting this transition, we need to understand the current landscape and identify the desired TE portfolio outcomes.

Key Considerations:

- **Transportation energy burden** is the percentage of household income that households pay on their transportation energy costs. Many households rely on personal vehicles and transportation energy burden is higher for low-income customers. Electricity as a transportation fuel can offer cost savings, but access to electricity as a fuel and to at-home charging on a residential rate is not available to all customers.
    - Questions: Which customers have the highest transportation energy costs? How can TE portfolios reduce vulnerable customers' transportation energy burden? How can investments that help reduce transportation energy burden complement efforts to reduce overall customer energy burden? How can this be tracked and measured to evaluate utility TE portfolio performance?
- **Customer program participation** likely varies across customer demographics (e.g. low-income and rural). Program participation data can help identify who is currently benefiting from utility investments and inform program design to distribute benefits to underrepresented customer groups.
    - Questions: Which customers have participated in programs? What customer demographics are underrepresented in program participation? What is equitable representation for customer program participation? How can this be tracked and measured to evaluate utility TE portfolio performance?
- **Air quality** differs across customers demographics with low-income and BIPOC customers disproportionately impacted by air pollution. Nationally, people of color are over three times more likely to be breathing the most polluted air than white people.[2]
    - Questions: How can utilities demonstrate a TE portfolio resulted in reduced air pollution for low-income and BIPOC customers? How can this be tracked and measured to evaluate utility TE portfolio performance?

Desired TE Portfolio Outcomes:

The design of utility TE portfolios should be outcome-driven. We recommend the portfolios be designed to achieve the following outcomes:

[2] https://www.lung.org/research/sota/key-findings

- Reduction in GHG emissions and air pollution.
- Increased electrification (EVSE installed) of medium- and heavy-duty fleets and last-mile delivery fleets that serve or operate in environmental justice communities.[3]
- Increased number of customers provided access to electricity as a transportation fuel through a utility TE portfolio.
- Reduction in vulnerable customers' transportation energy burden.
- Achieved cost parity between customers who have access to charging at home (on a residential rate) and customers who don't have access to charging at home.
- Minimized bill impacts for low-income customers to lower energy burden.
- Increased school bus electrification.
- Increased transit electrification. It's important that this outcome does not conflict with goals to expand transit. While expanding service hours is outside of the scope of the utility, we recommend tracking annual service hour status of the transit agencies the utility helps electrify to monitor for unintended consequences.
- Increased resilience resulting from a utility TE portfolio. Resilience could be demonstrated by an increased ability of the utility system to withstand and recover from a major disruption in delivery or transmission of fuel, including a major disruption from an emergency, and providing sustained access to electricity as a transportation fuel during extreme weather events. Utilities could also partner with municipalities in the creation and expansion of climate resilient cooling centers and community centers that also provide access to electrification (TE hubs).
- Supported multiple types of electric transportation technology (i.e., personal vehicles, medium- and heavy duty vehicles, bikes, forklifts, etc.). While expanding multi-modal and alternative transportation infrastructure is outside the scope of the utility, we recommend that utilities support policies that expand multi-modal and alternative transportation infrastructure as this will ensure higher adoption of multiple types of electric transportation technology.
- Increased outreach, capacity building to and participation of environmental justice communities, low-income service providers, community-based and community service organizations, non-profit organizations, small businesses (particularly minority and women owned businesses), and tribes in the development of a utility TE portfolio.

[3] Environmental justice communities, as defined in HB 2475 (2021), includes communities of color, communities experiencing lower incomes, tribal communities, rural communities, coastal communities, communities with limited infrastructure and other communities traditionally underrepresented in public processes and adversely harmed by environmental and health hazards, including but not limited to seniors, youth and persons with disabilities.

Measuring TE Portfolio Effectiveness:

These outcomes are unlikely to be achieved at the level necessary to ensure an equitable transition to electric mobility within the constraints of traditional cost-effectiveness tests. Therefore, it is necessary to develop alternative metrics to evaluate TE portfolio efficacy (such as energy burden reduction for vulnerable customers, equitable distribution of electrification (EVSE), etc.) and provide clear expectations for utilities and stakeholders. We recommend that the Commission explore publicly available data sources, and establish a consistent set of metrics for evaluating utility TE portfolios within the TE investment framework, separate from cost-effectiveness criteria.

Thank you,

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