

From: [Dylan Plummer](#)
To: [PUC.puc.publicmeetings * PUC](#)
Cc: [Rose Monahan](#)
Subject: Public comment on behalf of the Sierra Club regarding UM 2178
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Chair Decker and members of the Commission,

Thank you for providing this opportunity for testimony. My name is Dylan Plummer and I am a Senior Campaign Representative with the Sierra Club working in Oregon and Washington. On behalf of the Sierra Club's over 60,000 members and supporters across the State of Oregon, I am testifying to request significant revisions to the Natural Gas Fact Finding draft report, which fails to adequately acknowledge the urgent need to transition off of gas and to provide meaningful recommendations to the Commission to regulate gas utilities in the short- and long-term.

The Sierra Club believes that it is in the best interest of Oregonians across the state that this report reflect the critical recommendations of the various stakeholder groups that have commented throughout the process, and specifically to include recommendations to limit subsidies for fossil fuels by eliminating incentives for the expansion of gas infrastructure through the rapid phase-out of gas line extension allowances; Expand programs to support a just clean energy transition with robust weatherization, energy efficiency, and affordability programs that support all Oregonians in a transition off gas, with a priority for low-income and environmental justice communities; and Invest in solutions we know will help in this transition – not risky investments that double down on gas infrastructure and risk leaving customers footing the bill.

I'd also like to highlight the findings of a recent study on building electrification in Oregon by Synapse Energy Economics. The study found that a rapid transition to highly efficient electric heat pumps for heating and cooling in Oregon homes and buildings would lower household energy bills, generate \$1.1 billion in system-wide savings by 2050, and dramatically reduce climate pollution — all without major grid impacts.

The report modeled the economic, climate, and grid impacts of two ambitious target dates for achieving 100% zero-emission appliance sales in Oregon: 2025 and 2030. The report finds that a 2025 implementation date would cut climate pollution from residential homes 56 percent by 2035 compared to 1990s levels and just shy of 100 percent by 2050. A 2030 implementation date would cut climate pollution 47% by 2035, while achieving similar 2050 reductions. These reductions in climate pollution come from the transition away from gas heating appliances – which are a major source of carbon emissions and air pollutants.

Despite the rapid pace of the transition from polluting gas to electric appliances modeled in the analysis, the report found that total electricity demand from homes and buildings would

increase just 13 percent by 2050 compared to 2019 under both scenarios, or around half a percent per year, which is consistent with past and projected growth rates for annual total electricity loads. This manageable increase in electricity consumption is driven by a reduction of inefficient electric resistance heaters in coming years, which put major strain on Oregon's electricity grid, in favor of highly-efficient electric heat pumps, which can reduce electricity consumption for [heating by 50 percent](#).

The report modeled the impact on energy bills from the transition to highly-efficient electric heat pumps in two Oregon cities; Portland and Bend. In Portland, the report found that households that electrify will save \$161 annually on energy bills compared to homes that burn gas, and in Bend, the report projected \$192 in annual savings.

Under a 2030 implementation date for a zero-emissions sales standard for appliances, the report projects that electrification begins reducing total system costs beginning in 2030, and achieves annual cost savings of roughly \$280 million by 2050. Total system-wide savings for the scenario are expected to reach \$1.1 billion through 2050. Under a 2025 implementation date, the report projects that building electrification begins to save system costs from 2023, and cost savings reach \$290 million in the year 2050.

In light of the findings of the Synapse report which show that even the most aggressive electrification scenarios will protect ratepayers and reduce emissions, all while saving tremendous amounts of money for our state's energy system, it is critical that the OPUC revise the draft report to include critical steps to transition off of fracked gas and to high efficiency appliances powered by renewable electricity.

Thank you for your consideration.

Dylan Plummer
Senior Campaign Representative
Sierra Club