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November 29, 2022

Via Electronic Filing

Public Utility Commission of Oregon
Attention: Filing Center
P.O. Box 1088
Salem, OR 97308-1088

Re: UM 2211 Implementation of HB 2475

Dear Filing Center:

Portland General Electric Company (PGE) respectfully submits these comments in response to the recommendations put forth in Public Utility Commission of Oregon (OPUC or Commission) Staff's Report ENERGY TRUST OF OREGON: Presentation of 2023 Draft Budget and 2023-24 Action Plan.¹

PGE supports Staff's recommendation for Energy Trust of Oregon to "work with utilities to identify and target customers that have difficulty paying their bills with tailored energy saving opportunities." PGE also supports Staff's proposal for "baseline evaluation criteria and key design elements" in the context of utility Income Qualified Bill Discount (IQBD) program filings.²

In these comments, PGE identifies a few promotional referral pathways for Energy Trust of Oregon and PGE to build on the success of the IQBD deployment by bundling a complementary energy efficiency component to address both the climate impacts and barriers to participation experienced by our low-income customers.

PGE continues to thank Stakeholders, Staff, and the Commission for the collaborative and productive process to date, and recommend the pathways discussed below. Through our

¹ Item No. RA1 as approved at SPECIAL PUBLIC MEETING DATE: November 3, 2022; Retrieved from: https://oregonpuc.granicus.com/Viewer.php?view_id=2&event_id=752&meta_id=34479

² HB 2475 Implementation of Differential Rates and Programs in Oregon, Strategy Update, and Interim Action Straw Proposal (December 22, 2021); Retrieved from: <https://edocs.puc.state.or.us/efdocs/HAH/um2211hah114912.pdf>

suggestions, we seek to continue this collaborative process to address and alleviate energy burden in the communities we serve.

Comments

PGE respectfully offers the following context to inform a HB 2475 bundled approach.

Complementary Energy Efficiency

PGE supports the expansion of the measure exception of the Energy Trust of Oregon “no-cost” ductless heat pump (DHP) pilot³, and the potential expansion of the ducted and ductless heat pump incentive for manufactured homes and DHP for single-family and eligible multifamily rental properties, if these programs are provided at “no-cost” to the customer.

The DHP pilot was granted exception under criteria Categories C, F and G. As such the pilot is limited in budget and duration with specific research objectives, supports regional efforts to support DHPs in collaboration with the Northwest Energy Efficiency Alliance (NEEA), and has the potential to support opportunities that could become programs under HB 2475.

PGE supports lifting of the incentive cap for these measures provided allocation of Energy Trust DHP budget is amplified by all other available local, state, and federal funding sources, including but not limited to, Inflation Reduction Act rebates, Oregon Department of Energy (ODOE) heat pump incentives, and Portland Clean Energy Community Benefits Fund (PCEF) grants.

Use of Energy Trust Reserves

Per the Funding Agreement between PGE and Energy Trust of Oregon, if both agree in writing that Energy Trust should acquire cost-effective energy savings and provide energy efficiency services beyond Energy Trust annual budget expenditures Energy Trust shall first exhaust all Efficiency Program Reserves, and then use the operational contingency pool to acquire additional savings. Energy Trust maintains two categories of reserve accounts, a Contingency Reserves Account, and an Efficiency Program Reserves Account. The Contingency Reserves account is divided into two pools, an emergency contingency pool, and an operational contingency pool.

³ In the Matter of ENERGY TRUST OF OREGON, Cost Effectiveness Exception Request for Electric Measures (UM 1696); DHP measure exception granted thru 3/31/2025; Retrieved from: <https://apps.puc.state.or.us/orders/2022ords/22-024.pdf>

Provided Energy Trust DHP budget is amplified by all other available local, state, and federal funding sources PGE supports allocation of Efficiency Program Reserves toward “no-cost” DHPs for the remainder of the DHP pilot duration.

Referral Pathways

With the passage of HB 3141, PGE and the Energy Trust of Oregon engaged in discussions regarding how to implement language pertaining to the joint development of “public utility-specific budgets, action plans and agreements that detail the entity’s public utility-specific planned activities, resources, and technologies pursuant to ORS 757.054 and 757.612 (3)(b)(B), including coordinated activities that require joint investment and deployment.”⁴

HB 3141 implementation was codified in a Budget Process Coordination and Action Plan Memorandum (the “HB 3141 Budget Coordination Memo”) that details the process and template by which PGE and Energy Trust will co-develop utility specific action plans. Within the utility specific action plan for the 2023-24 budget cycle, PGE has put forth a marketing and outreach campaign - in partnership with the Energy Trust - to focus on increasing the rate of resistance heating replacement with heat pumps to provide efficient heating and cooling.

To support this campaign, PGE will leverage its Income-Qualified Bill Discount (IQBD) data and SB 838 promotional dollars to support the Energy Trust marketing and outreach efforts in 2023-2024. It is currently envisioned that PGE and ETO will coordinate engagement with PGE customers enrolled in the IQBD program (and the building owners of multi-family properties that house income-qualified customers) with jointly planned and co-branded marketing materials. The materials (delivered, e.g., via emails, mailers, phone calls, direct outreach) could help inform customers and building owners about the following:

- No-cost weatherization and energy assistance through Community Action agencies and Community-Based Organizations.
- Existing (and any new) Energy Trust offerings, such as no-cost ductless heat pumps, air sealing and insulation.
- Program offerings, such as Oregon Community Solar and PGE’s Peak Time Rebate, to help lower bills; and,
- No-cost rebates and tax credits available through recent federal legislation, such as the Inflation Reduction Act, and the Oregon Department of Energy’s SB 1536 heat pump programs.

⁴ Retrieved from: <https://olis.oregonlegislature.gov/liz/2021R1/Measures/Overview/HB3141>

This targeted and joint outreach to IQBD customers and building owners will serve to complement the outreach Energy Trust already does with its community partners.

Public Participation

Comments filed on UM 1696, by Clean Energy Project, Representative Pam Marsh and Clackamas County were supportive of the “no-cost” DHP offer given the benefit to customers with low incomes. Parties also noted the need to replace wood heat. Expansion of the “no-cost” DHP pilot will serve to address both energy burden and air pollution benefits.

Conclusion

PGE appreciates Staff’s recommendation for Energy Trust of Oregon to work with utilities to identify and target customers that have difficulty paying their bills with tailored energy saving opportunities. In expanding the reach of the “no-cost” DHP pilot PGE believes there is an opportunity to complement and co-promote the IQBD schedule. PGE also sees an opportunity to allocate Energy Trust Efficiency Program Reserves to further the impact of the pilot and to inform longer-term bundled program designs.

Sincerely,

/s/ Jason Salmi Klotz

Jason Salmi Klotz
Manager, Regulatory Strategy and Engagement