

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 435

In the Matter of

PORTLAND GENERAL ELECTRIC
COMPANY,

Request for a General Rate Revision.

REBUTTAL TESTIMONY

OF

VERDE

September 10, 2024

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I. INTRODUCTION & SUMMARY

Q. Please state your name and position and describe your Organization's mission.

A. My name is Anahi Segovia Rodriguez and I am the Energy Justice Coordinator at Verde. Verde is a 501(c)(3) community-based organization that represents environmental justice communities. Verde has worked for almost two decades to connect environmental justice communities and organizations to policy-making spaces like the Public Utility Commission (PUC) and to ensure that those spaces are equitable and accessible.

Q. What is the purpose of your testimony?

A. I intend to respond to Pacific General Electric Company's (PGE) Reply Testimony and address other issues raised by other intervenors in their respective Opening Testimonies. In doing so, I do not intend to change my positions stated in Opening testimony unless specifically stated. In addition, in the summary regarding rate relief, Verde adopts proposals raised by other intervenors and thereby responding with support to the other parties' Opening Testimony. In this Reply you will find the following, among other things:

- Response to the EBA recommendations and proposing further changes to the IQBD program and related energy burden relief proposals. Verde proposes a modified proposal to increase discounts and an objection to any suggestion that this proceeding is not an appropriate proceeding to consider the EBA recommendations or adopt increased discounts.
- Response to PGE's position that any discussion about arrearages belongs in the "EBA process" or in the UM 2211 docket. Verde proposes a modified proposal informed by the EBA related to IQBD enrollee arrearages.

- Response to PGE's stated satisfaction with its current post-enrollment verification program but willingness to confer with its CBIAG to discuss the EBA recommendations on verification and reasserting Verde's position that post-enrollment verification should be suspended until a full and open discussion is had and a reasonable program is designed and implemented.
- Response to the Rate Shock proposals and supporting both Staff and CUB's rate cap mechanisms.
- Response to PGE's position that this GRC is not the right forum for discussions about disconnections because UM 2211 is the right forum and reasserting Verde's position for a moratorium on disconnections for IQBD participants and for residential class during Summer months.
- Reiteration of the importance of ensuring robust funding for weatherization and energy efficiency programs to better protect ratepayers from the proposed increases.
- Support for other parties' testimony related to and reasserting that the Return on Investment rate must be set at the lowest available level.

Q. Please summarize your understanding of the Company's Reply Testimony.

A. At a high level, it appears PGE believes that because it agreed to conduct an Energy Burden Assessment (EBA) in 2024, and submit a new discount program informed by that EBA in September 2024, in last year's general rate case, that this is not the appropriate proceeding to consider the EBA recommendations or Verde's positions on the IQBD program.

While acknowledging some of Verde's positions, PGE failed to address Verde's arguments that PGE should adopt a percentage of income payment plan (PIPP).¹ PGE failed to

¹ UE 435, Verde / 100, Segovia Rodriguez / 8-9.

address Verde's arguments that the Oregon Self-Sufficiency Standard should be considered as the maximum income for Tier E.²

II. RATE RELIEF

Q. Please summarize what actions Verde believes are necessary to relieve energy burden, and foster affordability and equity.

A. PGE must adopt several of the EBA suggestions/recommendations in its September revision to its IQBD program. That revised program should be adopted as soon as possible and at the latest, with the conclusion of this rate case. As crisis mitigation related to the 2023 GRC rate shock, record disconnections and extreme weather arrearages and disconnections, there should be a moratorium on further late-payment disconnections at least for those enrolled in the IQBD program from April 2022 until April 1, 2025. Arrearages for those in or eligible for the IQBD program since April 2022 should be reduced by the applicable discount adopted in the revised IQBD program. There should be a widespread effort utilizing CAP agencies or Program Navigators to enroll and re-enroll those eligible for the IQBD program. PGE should immediately convene a stakeholder process (open to all and with funded CAP and program navigator participation and including PGE CBIAG members) to identify enrollment, re-enrollment and post enrollment verification barriers and solutions related to PGE's specific customer base. PGE should continue its IQBD Program Update stakeholder meetings and, in addition to providing engagement, dialogue and workshops about the IQBD program, the meetings should include the same process regarding disconnections and arrearages programs whether tied to the IQBD program structurally or not. And they should include discussions aimed at addressing/resolving/identifying PGE's concerns about such discussion interfering with its interest in GRCs.

² UE 435, Verde / 100, Segovia Rodriguez / 11-12.

PGE must adopt an arrearages management program by April 1, 2025. In the meantime, PGE should halt the accumulation of additional debt and referrals to collections agencies for anyone enrolled in the IQBD program since April 2022 and eligible for enrollment. There should be a widespread effort utilizing CAP agencies/Program Navigators to help identify those eligible for this benefit and the opportunities to reduce the debts. This Program Navigator effort should be adopted in this proceeding as an initial mechanism to address any arrearage exceeding a 6 months average bills for IQBD enrollees in the future.

If a rate increase is approved, any residential basic charge increase should exclude application to IQBD enrollees. It should be accounted for separately and prominently labeled on bills as the 2025 rate increase.

If a rate increase is approved, the Commission should adopt, in this proceeding, CUB's long-term rate shock proposal that will provide rate shock relief to all classes and incentivize cost management over time. And as it pertains to this specific rate increase, the Commission should adopt staff's proposal to cap the revenue requirement increase to three percent or less for the residential customer class. And the increase should not be effective until April 2025.

Finally, the Commission should set the ROE at the lowest level, which appears to be 8.96 percent.³

Q. Is the current IQBD program adequate to provide relief to energy burdened customers?

A. It appears not. The EBA reported that 140,000 PGE households experience high energy burden and the median burden is 8.3%.⁴ The current IQBD program is poised to offer relief to only 118,000 households who fall under 60% State Median income (SMI).

³ UE 435, Staff / 400, Muldoon / 7.

⁴ Exhibit Verde / 201, Segovia Rodriguez / 18 (PGE Energy Burden Assessment).

As of July 2023, approximately 70,000 households were enrolled.⁵ As of July 2024, approximately 85,000 households were enrolled.⁶ That leaves at least 33,000 eligible households unassisted.

Low-income household disconnections may skew the number of assisted households and demonstrate a bigger gap in assistance. Those households disconnected from service are not unenrolled from the IQBD program (at least not until re-enrollment, ostensibly).⁷ And, since July 2023, 2,676 energy assistance recipient households have been disconnected.⁸ While PGE does not report disconnections for IQBD participants specifically, PGE has disclosed that, since inception 17,144 accounts have been disconnected and of the 1,330 disconnected for non-payment from May – July 2024, 1259 of them were IQBD participants.⁹ The number of disconnections for non-payment alone demonstrates the program is not yet working well.

A. IQBD Discount Program

Q. Does the EBA say the IQBD program is working and does it address the current rate increase request?

A. No and no. The EBA analyzed energy burden among PGE households based upon a projection using 2023 energy usage applying the January 2024 rate structure which was expected to increase residential rates by 18%.¹⁰ It projected a 7% increase to income. It did not project an additional 7–10% increase in residential rates which PGE is requesting. So, reliance on the EBA

⁵ UE 416, PGE / 3100, Pope – Sims / 9. It is notable that there appears to be a distinction between those “enrolled” and those receiving discounts. In July 2023, while 70,000 were enrolled only 60,000 were receiving discounts. *Id.*

⁶ UE 435, PGE / 1200, Sheeran - Wise / 9.

⁷ Exhibit Verde / 202, Segovia Rodriguez / 2 (PGE Response to CUB Data Request 126).

⁸ Exhibit Verde / 203, Segovia Rodriguez / 2 (RO 12 Service Disconnections Quarterly Report Update).

⁹ Exhibit Verde / 204, Segovia Rodriguez / 1 (PGE Response to OPUC Data Request 642); Exhibit Verde / 202, Segovia Rodriguez / 2.

¹⁰ Exhibit Verde / 201, Segovia Rodriguez / 11 (PGE Energy Burden Assessment).

is only sufficient as it assesses the potential of the IQBD program to address burden without any additional rate increase.

And, the EBA does not state that the program is sufficient to do that. In its recommendations, it points out that only the discounts for those in tiers applicable to 31–60% of SMI are suitable. The EBA does not specifically state that the tiers related to 0–30% SMI are unsuitable, but urges consideration of increasing the discount percentages in those tiers as a high priority to be completed in Q3 2024.¹¹

Q. What does PGE say about this recommendation and does it cause you to change Verde’s position seeking higher discounts in the lower tiers?

A. PGE does not state much and Verde only changes its position to urge the adoption of the discounts more in line with those suggested by the EBA.

The EBA urges consideration of the following discounts which it calls the “average need of high-burden households as a percent of bill”:

90% for Tier A (0–5% SMI); 67% for Tier B (6–15%); 45–50% for Tier C (16–30%); 23% for Tier D (31–45%) and 16% for tier E (46–60% SMI).¹²

The EBA estimates a cost of approximately \$5 million for Tier A, \$4.6 million for Tier B and \$11 million for Tier C. PGE says the EBA did not recommend higher discounts for those tiers but that it will consider the feasibility of doing so.

Verde proposed as an alternative to a PIPP that the following discount rates be applied:

90% for Tier A; 70% for Tier B; 60% for Tier C; 50% for Tier D; 20% for Tier E.

PGE responded by announcing the costs. It predicted that the EBA increases for tiers A-C would cost 23 million and that Verde’s proposal would cost 46 million.¹³

¹¹ *See id.*

¹² *Id.* at 31.

¹³ UE 435, PGE / 1200, Sheeran - Wise / 12

Given that these discounts are necessary just to mitigate the 2024 rate increase, Verde urges the Commission to adopt these discounts: 90% for Tier A; 70% for Tier B; 50% for Tier C; 23% for Tier D and 16% for Tier E.

Verde is not indifferent to the costs and is well aware of how important commerce and a healthy economy are for all. Access to energy is more and more becoming a matter of life or death for households, however, and we must start centering individual consumers. PGE's larger consumers can pass on the costs to consumers of their products or services. But as rates increase, these largest users have greater capacity to reduce consumption through efficiencies, than those households experiencing excess energy burden can avoid the insecurity of losing power, of going into debt or even losing everything.

Q. What else did PGE say about Verde's Recommendations regarding the discount aspects of IQBD program and what is your response?

A. PGE essentially said it would not consider program modifications in this rate case proceeding. It said it would do so in the "EBA process and PGE's September filing."¹⁴ That might be a fine process, although there is evidence that it may only include consultation with PGE's CBIAG, but it was developed in response to the 2023 GRC and considered only that rate increase. Here we are presented with another rate increase that will further erode the effectiveness of the IQBD band-aide. It is unacceptable and presents a procedural justice issue for PGE to suggest an issue that may mitigate any rate increase, whether the last or a new one, is not at issue. I am not a lawyer but if PGE wants to effectively treat recommendations to the IQBD program as a collateral challenge, then perhaps it is appropriate to revisit CUB's motion to dismiss this entire proceeding.

¹⁴ UE 435, PGE / 1200, Sheeran - Wise / 12.

B. Arrearage Management/Forgiveness

Q. What was PGE’s response to your request that it adopt an arrearages management/forgiveness program as a component of its IQBD program and how do you reply?

A. PGE did not say much, just that such a program’s design details and costs are best addressed in the “EBA process” or in the UM 2211 docket. I have only participated in a few rate cases but my understanding is that rate cases are the exact place where rate design and costs are addressed. Verde appreciates the opportunities for anyone interested to have a voice in policy dockets and does not assume that we have all the answers. However, there is an urgency that requires an immediate solution until such time as a more finessed or utility wide program might be developed and substituted. And when it comes to debt and forgiveness there will not be any clawing back of later developed program benefits.

Verde proposed forgiving arrearages of those enrolled in Tiers A-D. The other thing PGE said, generally, is that “[a]n expansive arrearage forgiveness program could inadvertently forgive charges owed by customers with the ability to pay, at the expense of all other customers.”¹⁵ I am not sure if PGE would consider forgiveness for those accounts an expansive program. Neither do I know what the overall cost would be, although it appears there is \$2.3 million in arrears held by IQBD enrollees.¹⁶ Verde agrees that customers with the ability to pay, should pay. Verde continues to reasonably speculate that those enrolled in Tiers A-D, do not have the ability to pay arrearages and should have an opportunity to get out from under it at some point, particularly if the arrearages have been carried forward from the Covid period.

¹⁵ UE 435, PGE / 1200, Sheeran - Wise / 18.

¹⁶ RE 195 (PGE Schedule 18 Income Qualified Bill Discount Reporting (May 1, 2024 – July 31, 2024)).

Q. What does the EBA say about arrearages management?

A. It recommends enhanced efforts at notification and communication about the IQBD program. It recommends assessing a capped budget arrearage relief program. It suggests consideration of an arrearage forgiveness equivalent to retroactive application of the applicable discount tier up to a limit.¹⁷ It estimates that such a program could provide 1 million in relief benefitting 3-4000 IQBD customers.¹⁸

Q. Has Verde changed its position on an IQBD arrearage management/forgiveness program?

A. Yes, in light of the recommendation/suggestion in the EBA and the proposals/recommendations from other parties, Verde modifies its arrearages proposal and asks the Commission to direct implementation of a program which provides: 1) an uncapped arrearage forgiveness for those in or eligible for the IQBD program since April 2022, in an amount equal to the applicable discount adopted in the revised IQBD program; 2) a cessation of the accumulation of additional debt and of referrals to collections agencies for anyone enrolled in the IQBD program since April 2022 and eligible for enrollment; 3) a widespread effort utilizing CAP agencies/Program Navigators to help identify those eligible for this forgiveness and eligible for other opportunities to reduce the debts; and 4) an ongoing Program Navigator project that targets future IQBD customers with arrearage exceeding a 6 months average bills for outreach and opportunities (offered by PGE or otherwise) to forgive or manage the arrearages. This program should be adopted as soon as possible but no later than January 1, 2025.

Q. Are there any other recommendations you have regarding an arrearage management program?

¹⁷ Exhibit Verde / 201, Segovia Rodriguez / 32 (PGE Energy Burden Assessment).

¹⁸ *Id.*

A. Yes, Verde will meet PGE in the UM 2211 proceeding to engage in further discuss arrearage management programs but believes the Commission should, in order to mitigate the impacts of any rate increase resulting from this GRC, direct PGE to adopt an broader residential class arrearage management program by April 1, 2025.

C. Enrollment Eligibility Verification

Q. How did PGE respond to your recommendation to eliminate the post-enrollment verification process?

A. PGE acknowledged it but said it remains committed to the current program which randomly targets 3% for verification.¹⁹

PGE also acknowledged the EBA's recommendation to implement a targeted enrollment/verification program in 2025.²⁰ The EBA outlined a potential audit protocol for self-verification and auto-enrollment with data points that could be used for scoring algorithmically and allow for continuous monitoring and verification. It did not address the types of concerns Verde raised about verification but it is possible the targeting of data points could mitigate those impacts, especially if the verification work is done through a trusted third party.

Q. What was PGE's response to the EBA recommendation?

A. PGE said it would explore it with input from the CBIAG. For some reason PGE incorrectly states that the EBA recommended that PGE work with just the CBIAG to develop a targeted program.²¹ Verde expects PGE to seek input from all stakeholders and the public in its exploration.

¹⁹ UE 435, PGE / 1200, Sheeran - Wise / 13.

²⁰ Exhibit Verde / 201, Segovia Rodriguez / 29 (PGE Energy Burden Assessment).

²¹ UE 435, PGE / 1200, Sheeran - Wise / 13; Exhibit Verde / 201, Segovia Rodriguez / *passim* (PGE Energy Burden Assessment).

In fact, PGE should immediately convene a stakeholder process (open to all, with funded CAP and program navigator participation and CBIAG members) to identify enrollment, re-enrollment and post enrollment verification barriers and solutions related to PGE's specific customer base. As stated in opening testimony, a robust plan to enroll and re-enroll those eligible should be implemented as soon as possible.

Q. Has Verde changed its position about post-enrollment verification?

A. No. PGE has not been able to report how many households were unenrolled due to a failure to respond to the verification process, saying that data is not expected until September.²² Verde looks forward to exploring how to design an enrollment program that will employ tools that will not unnecessarily restrict access to the benefits and yet maintain integrity of the program. Until a more targeted enrollment or verification program is adopted that will address the concerns I raised in Verde's opening testimony, however, Verde asks the Commission to direct PGE to suspend post-enrollment verification.

D. Other IQBD Program Recommendations

Q Are there any other recommendations/suggestions in the EBA you would like to address. and propose?

A. Yes. In addition to what has been stated previously, Verde urges PGE to adopt as part of its September revision to the IQBD the use of and employment of community-based organizations (CBOs) in all aspects of the enrollment process.²³ In addition, PGE should propose as part of its IQBD program a mechanism to address affordability in basic charge rate increases.

The EBA recognizes that CBOs have expertise necessary to conduct effective outreach to communities that PGE does not have. It suggests the establishment of a Program Navigator Fund

²² Exhibit Verde / 205, Segovia Rodriguez / 2 (PGE Response to CUB Data Request 132).

²³ See Exhibit Verde / 201, Segovia Rodriguez / 33 (PGE Energy Burden Assessment).

and the development of a compensation arrangement.²⁴ This should be adopted in the September revisions after consultation with stakeholders, the GBAIG and the public.

The EBA also recognizes that the current design of the basic charge is questionable for several reasons, including a misalignment with customers' ability to pay.²⁵ PGE should convene a separate work group (made up of similar invitees – energy justice stakeholder, IQBD stakeholders, CBIAG members and the public) focused on designing a basic charge mechanism that is informed by the ability to pay.

In the meantime, the September revision to the IQBD should include a basic-rate increase carve-out for enrollees which would exclude application of any increase from this or future rate increases. I also think that if a rate increase is granted that PGE should clearly identify it in its billing, separate from the current basic rate.

Q. Did PGE provide any response to these EBA recommendations?

A. No, other than to say that its filing in September will “incorporate learnings from the EBA” and that the **filing** “is the appropriate proceeding for PGE to put forward a proposal that will also be informed by the Coalition’s recommendations in opening testimony.”²⁶ Although confused about how a filing is a proceeding, Verde will appreciate the consideration of its recommendations. And as the EBA did not exist when opening testimony was filed, I urge PGE to consider the Coalition’s recommendations made in Rebuttal testimony as well.

²⁴ *Id.*

²⁵ *Id.* at 39-40.

²⁶ UE 435, PGE / 1200, Sheeran - Wise / 16.

E. Other Energy Burden, Rate Relief Issues

Q. Are there other rate relief proposals that you would like the Commission to consider?

A. Yes. I have had a chance to further consider CUB's rate shock cap mechanism and staff's proposal to cap the residential increase to 3% of the overall revenue requirement. Verde supports both.

Staff's three percent cap applicable in this case will help all residential customers. It will also help avoid increasing the energy burdens of those eligible for the IQBD program and prevent an increase in residents experiencing a high energy burden who are not eligible for the IQBD program. This is important. We do not yet have a mechanism to address the energy burdens of those who are in the 60-100% SMI income tier. Without a cap on the rate increase, those with a high energy burden will see increases and rates will hit residents in this income tier the hardest. And, as it pertains to this specific rate increase, the Commission should adopt staff's proposal to cap the revenue requirement increase to three percent or less for the residential customer class.

Verde also supports CUB's deferred recovery 10% cap mechanism for the reasons CUB further explains it in reply to Pacific Corp's objections in CUB's rebuttal testimony in UE 433.²⁷ There needs to be a mechanism that helps avoid the need for energy advocates to intervene in rate cases to protect and further the relief afforded by the IQBD program in every rate case. The Commission should adopt, in this rate case proceeding, CUB's long-term rate shock proposal that will provide rate shock relief to all classes and incentivize cost management over time.

²⁷ UE 433, CUB / 400, Jenks / 7-11.

III. DISCONNECTIONS

Q. What was PGE’s response to Verde’s request for a moratorium on late-payment disconnections for IQBD customers and an annual summer moratorium for all residential customers?

A. PGE did not say much. It responded to say that it follows the Commission approved tariffs and rules related to disconnections.²⁸ PGE says that disconnection is a tool for it to manage risks from non-payment and protect all customers from write-off costs.²⁹ PGE also discusses trends in arrearages and impacts from disconnection moratoriums but it is hard to say that PGE acknowledges the sharp increase in disconnections other than providing a graph labeled historical trends.³⁰ I believe that the high level of disconnections is also related to the 18% rate increase that went into effect in January. Since I believe there is an urgency that requires a triage response. It appears PGE does not see it that way.

Nevertheless, PGE does acknowledge that staff has recently devoted the current UM 2211 scope of work toward addressing arrearages and disconnections and says that it looks forward to the discussion there. Further, PGE again suggests that such topics are not for discussion in this rate case, saying that it “believes [UM 2211] is the right forum for these efforts.”³¹

Q. Has Verde’s position on disconnections changed?

A. No. Verde also looks forward to the larger discussion and knows that we do not have all of the answers. But again, we believe there is a crisis that needs addressing and this is an appropriate place to do it particularly because PGE is asking for another rate increase.

²⁸ UE 435, PGE / 1200, Sheeran - Wise / 24.

²⁹ *Id.*

³⁰ *Id.* at 25, Fig.1.

³¹ *Id.* at 22-23.

As crisis mitigation related to the 2024 rate shock, record disconnections, there should be a moratorium on further late-payment disconnections until April 1, 2025, at least for those enrolled in the IQBD program since April 2022. And we must not wait to let PGE customers rest-assured that if they need to use more electricity to keep themselves healthy during our extreme heat summers that that electricity will be there.

IV. ENERGY EFFICIENCY & WEATHERIZATION

Q. What shortcoming did your Opening Testimony identify regarding energy efficiency and weatherization in PGE's planned rate increase?

A. On the topic of energy efficiency and weatherization, my Opening Testimony focused on three reasons why the Commission should ensure that PGE's rate increase prioritizes investments in energy efficiency: 1) energy efficiency's role as an important resource in helping low-income customers save money and better manage energy use,³² 2) weatherization's importance in improving health and economic outcomes for environmental justice communities and low-income households,³³ 3) the importance of weatherization, energy efficiency, and demand response generally in meeting HB 2021 climate goals.³⁴

My Opening Testimony further suggested how PGE's rate increase can better meet the needs of low-income customers, especially as PGE plans to further increase rates across customer classes, a burden that will most heavily be felt by those with lower incomes. First, I suggested PGE increase coordination with ETO to better capitalize on customer demand for no- and low-cost energy efficiency programs, including further investing in the successful no-cost ductless heat pump (DHP) pilot program to convert it from a pilot into a fully funded program. Second, I recommended PGE expand its weatherization offerings by revising its schedules and

³² UE 435, Verde / 100, Segovia Rodriguez / 22–26.

³³ *Id.* at 26–28.

³⁴ *Id.* at 28–30.

programs to reevaluate its “cost efficiency” assessments and to implement more targeted weatherization outreach to IQBD customers.³⁵ Third, I suggested PGE center energy efficiency in its decarbonization efforts to meet HB 2021 targets to both achieve meaningful emission reductions and minimize costs and risks to customers while doing so,³⁶ priorities recently reaffirmed by HB 3141’s emphasis on the value of investment in energy efficiency.³⁷

Q. What are your concerns around PGE’s proposals for energy efficiency and weatherization?

A. As I explained in Opening Testimony, Oregon consumer demand for energy efficiency is outpacing offerings and funding for energy efficiency programs.³⁸ For example, Oregonians have shown enough interest in the residential heat pump incentives to exhaust an initial \$25 million in funds from the Oregon State legislature from 2022.³⁹ My Opening Testimony pointed to this success and asked PGE to meet customer demand and increase efficiency by focusing on such no- and low-cost efficiency programs.⁴⁰ In this Rebuttal, I am writing to further emphasize the importance of investments in such low-cost and no-cost programs, including the DHP program, particularly as resources to support low-income households and environmental justice communities. Energy Trust of Oregon’s recent report on Billing Analysis of Residential Ductless Heat Pump Installations found some of the greatest actual energy savings from ductless heat

³⁵ *Id.* at 25.

³⁶ *Id.* at 28; HB 2021 § 3(1)(a), 81st Or. Reg. Sess. (2021); ORS § 469A.410(1)(a).

³⁷ HB 3141 § 2(3), 81st Or. Reg. Sess. (2021); ORS § 757.054(3).

³⁸ UE 435, Verde / 100, Segovia Rodriguez / 24.

³⁹ Oregon Dep’t of Env’t Quality, *Oregon’s Climate Pollution Reduction Implementation Grant: Workplan Narrative*, at 12 (Mar. 29, 2024), available at:

<https://www.oregon.gov/deq/ghgp/Documents/cprgImpGrant.pdf> [hereinafter Climate Workplan].

⁴⁰ UE 435, Verde / 100, Segovia Rodriguez / 25.

pump installations from residents in manufactured homes and income-qualified program participants.⁴¹

Related to weatherization, I previously identified gaps in PGE’s weatherization strategies. Weatherization is a known tool for reducing energy bills and increasing resilience in the face of increasingly-common extreme weather events.⁴² Like energy efficiency, the “need for weatherization *far* exceeds available and anticipated funding.”⁴³ I am concerned that PGE’s current strategy, which appears to be the status quo, fails to meet the need for weatherization and thus leaves Oregonians vulnerable to both rate increases and climate change-related health threats from extreme weather.

Q. Has new information come to light since your Opening Testimony that supports your argument that PGE should prioritize energy efficiency and weatherization?

A. Yes, since my Opening Testimony, I have become aware of the Oregon Department of Environmental Quality’s Workplan Narrative on Oregon’s Climate Equity and Resilience Through Action Grant (“Climate Workplan”).⁴⁴ The purpose of this Workplan is to request funding to Support Oregon Priority Climate Action Plan, “which centers tackling the climate crisis, addressing environmental injustices, and protecting our communities.”⁴⁵ The Workplan identifies residential and commercial buildings as one of three key categories in combating climate change. Within this category, the Workplan’s parallels to suggestions raised in my Opening Testimony further underline the urgency of PGE’s investments in energy efficiency.

⁴¹ Energy Trust of Oregon, *Billing Analysis of Residential Ductless Heat Pump Installations*, (Aug. 5, 2024), available at: <https://www.energytrust.org/wp-content/uploads/2024/08/FINAL-REBA-DHP-Report-Memo-with-Output-Summaries.pdf>.

⁴² Climate Workplan, *supra* note 39, at 13 (emphasis in original).

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ Oregon Dep’t of Env’t Quality, *Oregon’s Priority Climate Action Plan*, at 8 (March 2024), available at: <https://www.oregon.gov/deq/ghgp/Documents/CPRG-OregonPCAP.pdf>.

More specifically, the Climate Workplan expressly identifies heat pump incentives and residential weatherization as independent measures with opportunity for support and meaningful impact. Regarding heat pump incentives, the Climate Work Plan identified the “very high demand” for heat pump programs across the state, as well as transformative impacts from heat pump installations,” including greenhouse gas reductions and co-benefits like providing cooling during extreme heat events.⁴⁶ The Climate Workplan further identified demonstrated funding needs to deploy heat pumps to meet demand, noting that existing subsidies, even under the Inflation Reduction Act, “are not sufficient to incentivize heat pump installation on their own.”⁴⁷ On the weatherization measure section, the Climate Workplan found that, across the state, “the demand for weatherization *far* exceeds the funds currently available through [ratepayer- and federally-funded] existing programs.”⁴⁸ The Climate Workplan both emphasizes the demonstrated needs I identified in my Opening Testimony and further highlights the need for prioritization of funding in these areas to accelerate energy efficiency adoption in the face of rising energy costs and climate change.

Additionally, I want to emphasize the important role of heat pumps in combating climate change and household emissions. Recent reports from the National Renewable Energy Lab (NREL) support our testimony that heat pumps and energy efficiency are essential pathways to decarbonization.⁴⁹

⁴⁶ Climate Workplan, *supra* note 39, at 12.

⁴⁷ *Id.*

⁴⁸ *Id.* at 13 (emphasis in original).

⁴⁹ See generally Wilson, Eric J.H. et al., NREL, *Heat pumps for all? Distributions of the costs and benefits of residential air-source heat pumps in the United States*, Joule 8, 1000–1035, April 17, 2024, available at: <https://www.sciencedirect.com/science/article/pii/S2542435124000497?via%3Dihub>.

Q. PGE’s Reply Testimony called energy efficiency an “important resource.”⁵⁰ Does this Reply address your concerns that PGE’s proposed rate increases fail to adequately prioritize energy efficiency, particularly for low-income customers?

A. No. In its Reply, PGE stated that the Company views energy efficiency as “an important resource . . . that provides additional benefits for customers, such as lower bills through lower energy use and comfort.”⁵¹ Yet PGE’s Reply did little to respond to Verde’s concerns about under-utilization of programs targeted at reducing energy burden through free energy efficiency and weatherization services.⁵² Responding to Verde’s concerns about inadequate weatherization services outreach, PGE merely reiterated its current outreach strategy of referring some high-use customers to CAP agencies.⁵³

Regarding outreach for broader energy efficiency programs, PGE’s reply emphasized its collaboration with ETO.⁵⁴ While PGE’s plans for greater “co-deployment” and longer-term planning horizons for coordination on energy efficiency programs appear to be a step in the right direction, such coordination does little to address Verde’s concerns about no-cost and low-cost energy efficiency deployment.⁵⁵ PGE did not address our recommendation for meeting customer demand for the no-cost heat pump program.⁵⁶

Q. Did PGE’s Reply address concerns that Verde voiced related to PGE’s weatherization program outreach and deployment?

A. No. PGE’s reply merely reiterated its existing outreach strategy of connecting certain qualifying customers—limited to those “residential customers who received energy assistance in

⁵⁰ UE 435 PGE / 1200, Sheeran - Wise / 19.

⁵¹ *Id.*

⁵² *See id.*

⁵³ *Id.* at 20.

⁵⁴ *Id.*

⁵⁵ *Id.* at 20–21.

⁵⁶ UE 435, Verde / 100, Segovia Rodriguez / 25–26.

the preceding 12 months and had an average monthly usage of 2,000 kWh or more”— with CAP agencies to conduct outreach.⁵⁷

Q. What additional critiques of PGE’s weatherization and low-income outreach have other intervenors or participants voiced? Do you agree with these critiques?

A. Staff identified multiple shortcomings of PGE’s current weatherization and related low-income energy efficiency outreach.⁵⁸ Staff emphasized that it “is concerned,” particularly in light of the recent and proposed rate increases, that PGE is failing to take sufficient actions to connect income-qualifying customers with available resources, including weatherization resources.⁵⁹ PGE’s current strategy of mailing informational bill inserts to qualifying IQBD customers will likely not produce sufficient enrollment in target programs because “not all eligible customers will sign up for assistance based on a bill insert alone.”⁶⁰ Verde agrees with Staff’s assessment and wants to further emphasize that studies have shown that bill inserts have a relatively “low impact” in motivating behavior change in utility customers.⁶¹ Thus, I support Staff’s recommendation that PGE further engage stakeholders to determine more effective community partnerships to better encourage broader engagement with no-cost resources from qualified households.

Staff additionally identified multiple deficiencies in PGE’s coordination with CAP agencies. Staff specifically expressed a concern that PGE’s current practice of only referring those IQBD customers that have signed up for other energy assistance may lead to a gap in

⁵⁷ UE 435, PGE / 1200, Sheeran - Wise / 20 (“Annually, PGE identifies residential customers who received energy assistance in the preceding 12 months and had an average monthly usage of 2,000 kWh or more and then refers these customers to CAP agencies for weatherization outreach.”).

⁵⁸ UE 435, Staff / 1900, Ayres / 21–23.

⁵⁹ *Id.* at 20.

⁶⁰ *Id.* at 21.

⁶¹ Susan Mazur-Stommen & Kate Farley, *ACEEE Field Guide to Utility-Run Behavior Programs* 14 (2013), <https://www.aceee.org/sites/default/files/publications/researchreports/b132.pdf>.

customers who need weatherization support and those receiving it.⁶² Staff further specifically recommended that PGE “better target IQBD outreach” to customers based on PGE’s data regarding customer HVAC systems.⁶³

I agree with Staff’s assessment that PGE’s current customer engagement and outreach falls short of what is needed to make meaningful progress in addressing customers’ energy burden. I encourage the Commission to ensure PGE moves beyond mere bill inserts for outreach, as well as finds ways to expand its engagement to those customers not already heavily involved in other assistance programs.

Q. Has PGE identified adequate coordination with CAP agencies to address your or Staff’s concerns related to access to weatherization programs?

A. No. PGE’s reply merely reiterated its existing outreach strategy of connecting qualifying customers with CAP agencies.⁶⁴ PGE did not respond to my concerns of inadequate outreach,⁶⁵ nor did PGE address any of Staff’s recommendations for PGE’s improvement of outreach by better leveraging customer data and expanding outreach. PGE invoked data privacy concerns, perhaps indirectly addressing Staff’s recommendations for better outreach coordination and data use,⁶⁶ but without providing any details as to what these concerns are and how these concerns legally constrain PGE’s actions regarding weatherization outreach. At the very least, PGE should provide concrete specifics as to how data privacy constraints impeded outreach and coordination.

⁶² UE 435, Staff / 1900, Ayres / 23–24.

⁶³ *Id.* at 23.

⁶⁴ UE 435, PGE / 1200, Sheeran - Wise / 20 (“Annually, PGE identifies residential customers who received energy assistance in the preceding 12 months and had an average monthly usage of 2,000 kWh or more and then refers these customers to CAP agencies for weatherization outreach.”).

⁶⁵ UE 435, Verde / 100, Segovia Rodriguez / 28.

⁶⁶ UE 435, PGE / 1200, Sheeran - Wise / 21.

Otherwise, I recommend the Commission require PGE to engage in greater coordination with CAP agencies to better deliver weatherization resources to customers.

Q. Do you continue to propose the same energy efficiency recommendations you made in opening testimony?

A. Yes. I maintain that it is essential that PGE further invest in energy efficiency and weatherization measures in this rate case. This rate case marks PGE's second recent proposed rate hike; PGE's most recent rate hike of 18% began January 1 of this year and its current proposal would raise rates an additional 7.2%.⁶⁷ It is essential that PGE ensures that its customers, and especially low-income customers, are able to access energy efficiency resources to help lessen the burden of these skyrocketing rates. While PGE's proposed coordination with ETO signals a positive development for improving customer outreach, its Reply did little to address other concerns and opportunities my Opening Testimony raised about increasing investments in energy efficiency to support energy burdened households and environmental justice communities. PGE's Reply admits that energy efficiency is an "important resource" with respect to reducing energy costs and meeting climate goals, and yet I see insufficient emphasis on investments in energy efficiency within this rate case. Thus, I continue to propose the recommended changes made in my Opening Testimony.

Q. In sum, what actions do you recommend the Commission take with respect to energy efficiency and weatherization in this rate case?

A. I recommend the Commission refuse to approve PGE's proposed rate increases without also requiring PGE to adopt my recommendations to center energy efficiency for low-income households in its rate scheme. PGE has the responsibility to equip Oregon households with the

⁶⁷ *In the Matter of Portland General Electric Company, Request for a General Rate Revision; and 2024 Annual Power Cost Update*, Docket No. UE 416, Staff Report (Item No. CA21) (Dec. 22, 2023) at 1.

tools necessary to manage energy use in the face of its ever-increasing rates. I therefore ask the Commission to ensure that my recommendations are incorporated into PGE's rate increases.

V. PGE's ROE MUST BE SET AT THE LOWEST LEVEL

Q. Did PGE respond to Verde's call for scrutiny of its ROE request and setting it at the lowest level?

A. No, but I did not expect a response as the other parties are the ones with expertise on the matter.

Q. Has Verde's position changed?

A. No. Except that I can now point to a specific number that is the lowest reasonable based upon the testimony of the other parties. Verde continues to ask the commission to set the ROE at the lowest level that is reasonable and according to staff's testimony that is 8.96 percent.⁶⁸

VI. CONCLUSIONS

Q. Please provide your recommendations in your Rebuttal Testimony

A. In my Rebuttal Testimony, I continue to advocate for, refine, and expand upon the recommendations I made in Opening Testimony, including:

1. Revising the IQBD tiers to include greater discounts as informed by the EBA
2. Revising the IQBD program to include arrearage forgiveness in amounts reflective of a retroactive application of the discount levels.
3. Revising the IQBD program to suspend post-enrollment verification until enrollment verification may be addressed utility wide.
4. Adopting CUB's rate shock 10% cap mechanism and Staff's 3% cap on this rate increase request.

⁶⁸ UE, 435 Staff / 400, Muldoon / 7.

5. Suspending IQBD enrollee disconnections and adopt a moratorium on residential disconnections during Summer months at least until disconnections may be addressed utility wide.
6. Directing robust funding and outreach for energy efficiency and weatherization programs.
7. Setting the ROE at the lowest reasonable level, 8.96%.

Q. Does this conclude your testimony?

A. Yes, it does, thank you.



Portland General Electric
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June 28, 2024

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: UE 416, PGE 2024 Rate Review, 2024 Energy Burden Assessment

As part of the Sixth Partial Stipulation to Portland General Electric Company's (PGE) 2024 rate review (UE 416), OPUC Order No. 23-386 directed PGE to conduct a low income needs assessment (LINA) by June 30, 2024. PGE hereby submits the results of the Company's energy burden assessment pursuant to that order, noting that an energy burden assessment is synonymous with a LINA.

PGE contracted with Empower Dataworks to conduct an energy burden assessment in early 2024. Empower Dataworks is a regional consulting firm specializing in energy equity analytics and has conducted similar assessments for numerous utilities throughout the Pacific Northwest.

PGE submits the results prepared by Empower Dataworks. Findings were presented to IQBD external stakeholders on June 25, 2024 and to PGE's Community Benefits & Impacts Advisory Group on June 26, 2024. Consistent with the terms of the Sixth Partial Settlement, PGE is considering next steps and will submit an updated program filing by September 27, 2024.

Please direct questions to Ashleigh Keene at ashleigh.keene@pgn.com. Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pgn.com.

Sincerely,

\s\ Shay LaBray

Shay LaBray
Senior Director, Regulatory Affairs & Strategy

Enclosure

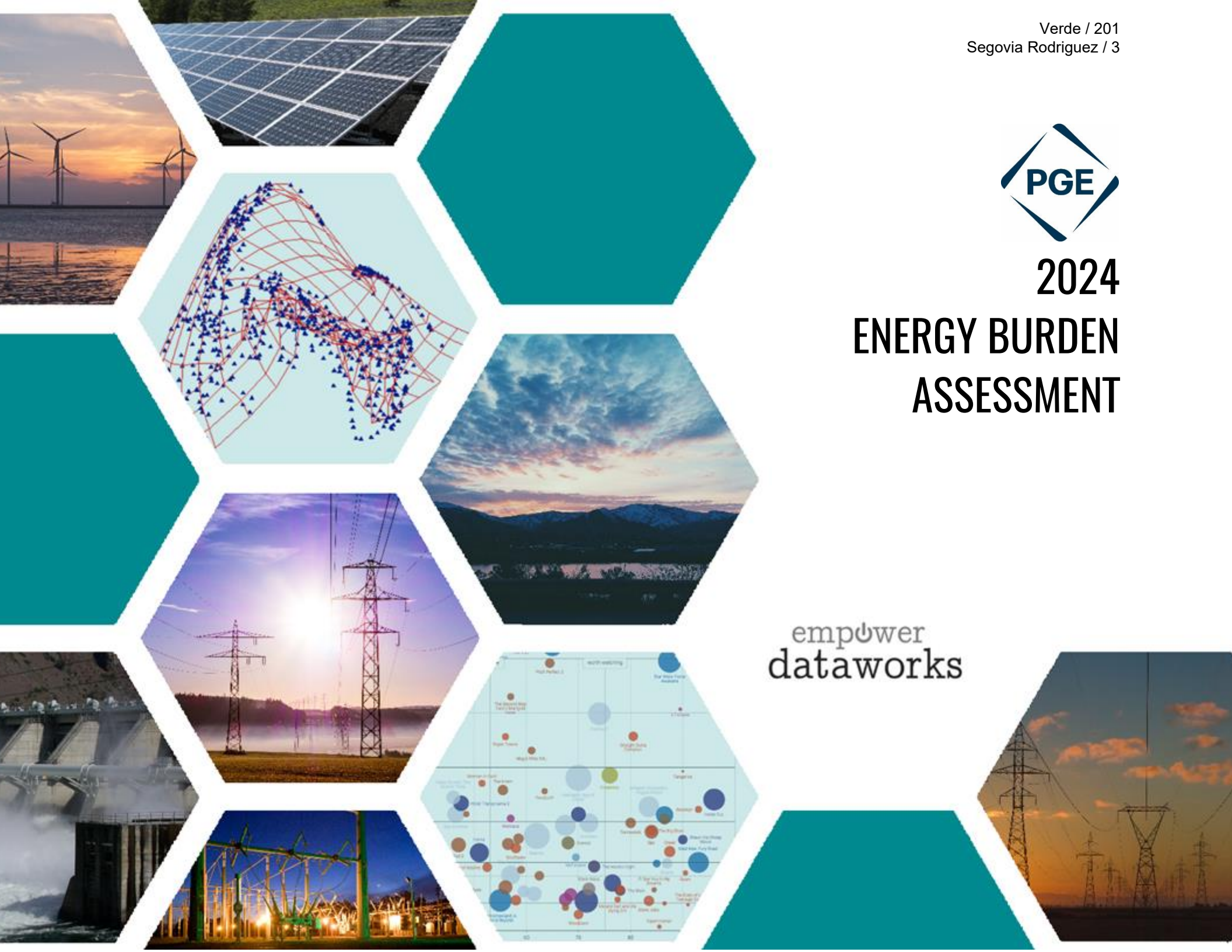
UE 416, PGE 2024 Rate Review
Results from PGE's 2024 Energy Burden Assessment

Attachment



2024 ENERGY BURDEN ASSESSMENT

empower
dataworks



2024 ENERGY BURDEN ASSESSMENT

JUNE 2024

PREPARED FOR

Rachel DeRosia and Jennifer Latu

Portland General Electric



PREPARED BY

Hassan Shaban, Ph.D.

Empower Dataworks



INTRODUCTION

This brief report presents the methodology and findings from Portland General Electric (PGE)’s 2024 Oregon energy burden assessment.

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1. METHODOLOGY



1.1 GENERAL APPROACH

This energy burden assessment relies on collecting customer-level data, modeling missing attributes, then aggregating key metrics by geographic, demographic or building variables for analysis. Prior to this project, Empower Dataworks performed energy burden assessments in over 15 utility service areas (both gas and electric) using this approach. The methodology is also updated occasionally to align with energy assistance best practices. The energy burden assessment results are typically used to guide program design, evaluate the performance of energy assistance programs and develop targeted marketing and outreach strategies.

The customer data (including estimated household income) comes from various sources as described in the rest of Section 1. Some demographic attributes were modeled or inferred using statistical techniques due to lack of primary data in the Customer Information System (CIS) or other sources. American Community Survey data was mainly used to sanity check aggregate statistics of customer-level data at the census tract level.

Three types of metrics were calculated:

- Metrics related to energy burden based on demographic and geographic characteristics
- Participation and funding in Energy Assistance Programs
- Customer energy use characteristics

The final dataset and results were provided to PGE staff.

1.2 DATA SOURCES

The data sources leveraged for the analysis are described in this section.

DATA PROVIDED BY PGE

PGE provided various customer-level datasets to Empower Dataworks to enable this analysis. Data sharing was governed by a confidentiality agreement between Empower Dataworks and PGE. Empower Dataworks was also subject to various cybersecurity requirements to safeguard customer data.

Customer Information System (CIS): This data included monthly electricity bills for 24 months between January 2022 and December 2023, account numbers and service addresses. A separate data extract included the dates and customer accounts that received late payment and disconnection notices, allowing us to calculate the on-time payment rate for different customer segments.

Direct Assistance Program Data: We received a list of participating accounts in the Income Qualified Bill Discount (IQBD), LIHEAP and OEAP between January

2022 and March 2024, along with discount amounts and dates. This allowed us to calculate the total assistance funding at the household level.

Demographic Data: PGE provided data from a third-party data compiler that aggregates data from a variety of sources. This data was mapped to the CIS dataset using customer addresses and included estimated household income, and homeownership status for most residential households. Demographic attributes for some customers were modeled due to lack of primary data in CIS or other sources. The modeling approaches are described in the next section.

DATA OBTAINED FROM OTHER SOURCES

Geocoding: We mapped the latitude/longitude of customer premises to census tracts, block groups and blocks in order to pull additional aggregate statistics.

County Assessor Data: We obtained publicly available assessor data from seven counties in PGE's service area. The assessor data included appraised values for homes, square footage, building year built, building types (residential, mobile homes, commercial and industrial), number of buildings on a land parcel, and other minor data points that were useful for performing general QA.

The addresses in this dataset were standardized to US Postal Service format, then matched with addresses in the CIS data. Some addresses existed in the CIS data but not in the assessor data (typically happens when multiple buildings occupy the same land parcel).

American Community Survey (ACS): ACS data (2017-22 5 year averages) was primarily used for QA to ensure that aggregate counts for various demographic attributes match the expected distributions from ACS.

1.3 FINAL ATTRIBUTES AND METRICS

The calculation methods for the metrics and attributes used in this report are described in this section. For all attributes, we also captured metadata related to the source of data and the confidence in the value (for example, data from primary sources has a high confidence, while modeled data has lower confidence). All of the data is robust for aggregate analysis, while high confidence data is better suited to customer-level marketing and program targeting.

Household Income: Estimated household incomes were obtained using three methods: (i) self-attested incomes for program participants, (ii) third-party purchased and calibrated demographic data, and (iii) modeled income for households with missing data. Self-attested household income was available for about 68,000 households that had participated in IQBD and declared their household income. Third-party estimated income data was provided by PGE. This data is sourced from public or commercially available data sources. Since household income from data vendors can become outdated quickly, we adjusted the unverified household

incomes by a constant percent, so that the median household income in each county matched the median household income from the [DOE LEAD tool](#) and the Federal Reserve's [FRED tool](#). The income data included missing values for approximately 13% of households. For households with missing income data, an estimated income was calculated as the average of the incomes of the five geographically closest households.

Poverty Status: The number of people living in a household cannot be easily obtained from any public data sources. This makes it difficult to identify a household's poverty status compared to the State Median Income, which is defined by household size. The median household size in the six main PGE counties varies from 2.3 to 2.7. In general, we used the income limits for two person households in this analysis as they produced the best estimates of state median income tiers compared to the DOE LEAD tool.

Validation: According to the DOE LEAD tool, between 24-32% of households in counties served by PGE would fall under 60% of the State Median Income. This estimate

is not specific to PGE customers. In this assessment, the county poverty rates range from 20-31% (with an approximately 10% margin of error), which is within the census range.

Building type: Meters were classified into one of five building types: single family, mobile homes and auxiliary dwelling units, multifamily apartments, commercial or master metered and unoccupied. Commercial meters were those tagged with a specific commercial use by the county assessor or that were on a commercial rate class. Additionally, we filtered out meters using in excess of 60,000 kWh per year as those are likely associated with commercial uses or are master metered. Meters that showed energy consumption less than 1,200 kWh/year were flagged as potentially unoccupied or vacation homes.

Overall, the number of residential meters was 827,000. When excluding high-use and low-use outliers (suspected seasonal, unoccupied or master-metered), the final number of occupied households for the analysis was approximately 800,000. The county assessor property use codes were parsed to identify apartments and mobile homes. Finally, PGE has internal data to identify single

family and multifamily homes – this was used to label the remaining homes.

Validation: The aggregate housing type counts (65% single family, 32% multifamily) are very similar to data from the DOE LEAD tool (67% single family, 30% multifamily).

Homeownership Status: PGE provided data from its CIS system on homeownership status (rent vs. own). The data is usually reported by customers during account setup or changes.

Load Disaggregation and Heating Type: A simple load disaggregation was applied for all households using their monthly energy bills. This involved taking the tenth percentile of monthly energy use (normalized by the number of days in a billing period) as the assumed base load. Then, the energy use that exceeded the base load in the winter months (October through May) was designated as “heating-related energy use”, while the energy use that exceeded the base load in the summer months (June through September) was designated as “cooling-related energy use”. Heating fuel type was provided by PGE but could also be inferred from heating energy usage.

Energy Burden and Energy Efficiency Potential

thresholds: These thresholds were set as follows:

- Electrically heated:
 - High-burden threshold: Greater than 6%
 - High efficiency potential threshold: Greater than 14 kWh/sq.ft.
- Non-electrically heated:
 - High-burden threshold: Greater than 4% in marine climate counties and greater than 3% in cold climate counties – using climate zones defined by DOE¹. All of PGE’s counties have a marine climate.
 - High efficiency potential threshold: Greater than 7 kWh/sq.ft.

¹ The current accepted high energy burden threshold (6%) is a rule of thumb developed by Fisher, Sheehan and Colton based on total household energy expenses (gas + electricity + delivered fuels). There is currently no guidance on flagging high burden for non-electrically heated homes. The state of New Jersey uses a split high burden threshold by fuel: for customers with natural

Energy Burden: Energy burden for a household is calculated simply by dividing annual electricity expenses by gross household income.

$$\text{Energy Burden } [\%] = \frac{\text{Annual Electricity Expenses } [\$]}{\text{Annual Household Income } [\$]}$$

Excess Burden: Excess burden is the portion of a household’s energy burden in excess of the high burden threshold.

$$\begin{aligned} \text{Excess Burden } [\$] &= \max(0, \text{Energy Burden } [\%] \\ &\quad - \text{High Burden Threshold} [\%]) \\ &\quad \times \text{Annual Household Income } [\$] \end{aligned}$$

On-Time Payment Rate: This is the proportion of all energy bills that did not require a late payment or disconnect notice to be sent out.

gas and electric service from different utilities, no more than 3% of income should be devoted to each. We use this as a guideline for non-electrically heated homes in this assessment, recognizing that there could be different interpretations or methods for designating customers as “high-burden”.

Energy Assistance Funding: The dollar amount of funding flowing through energy assistance programs (including discount, donation and weatherization programs) through discounts or rebates.

Customer Bill Reductions (Avoided Burden): The total bill impact (in dollars) from energy assistance programs.

Avoided Need: The total bill impact (in dollars) from energy assistance programs, specifically for program participants flagged as “high-burden”. Bill impact is equal to the amount of assistance grants or discounts for direct assistance programs and is equal to measure savings (kWh/year) multiplied by the residential kWh rate (\$/kWh) for energy efficiency programs.

Census Tract Statistics: Since each customer has been mapped to a census tract and block group, we are also able to match customers to census tract average statistics (e.g. highly impacted communities, presence of children,

non-English speakers, education level, environmental pollution etc.).

Energy Assistance Need: This is the sum of excess burden across all customers.

2024 Projections: Since PGE customers experienced a large (~18%) rate increase in January 2024, some figures in this assessment related to need and energy burden are projections for 2024 including the impact of the rate increase. The 2024 energy bills were projected by using the 2023 energy usage for customers and applying the 2024 rate structure. 2024 household incomes were estimated by adding a 7% multiplier to the estimated 2023 household incomes (LIHEAP and OEAP applied a 7% income adjustment to their 2024 income guidelines compared to 2023). This will be noted where relevant.

1.4 SOURCES OF UNCERTAINTY

- **Household income** is a dynamic piece of data as residents move in and out of homes and income data can become outdated within a year or two.

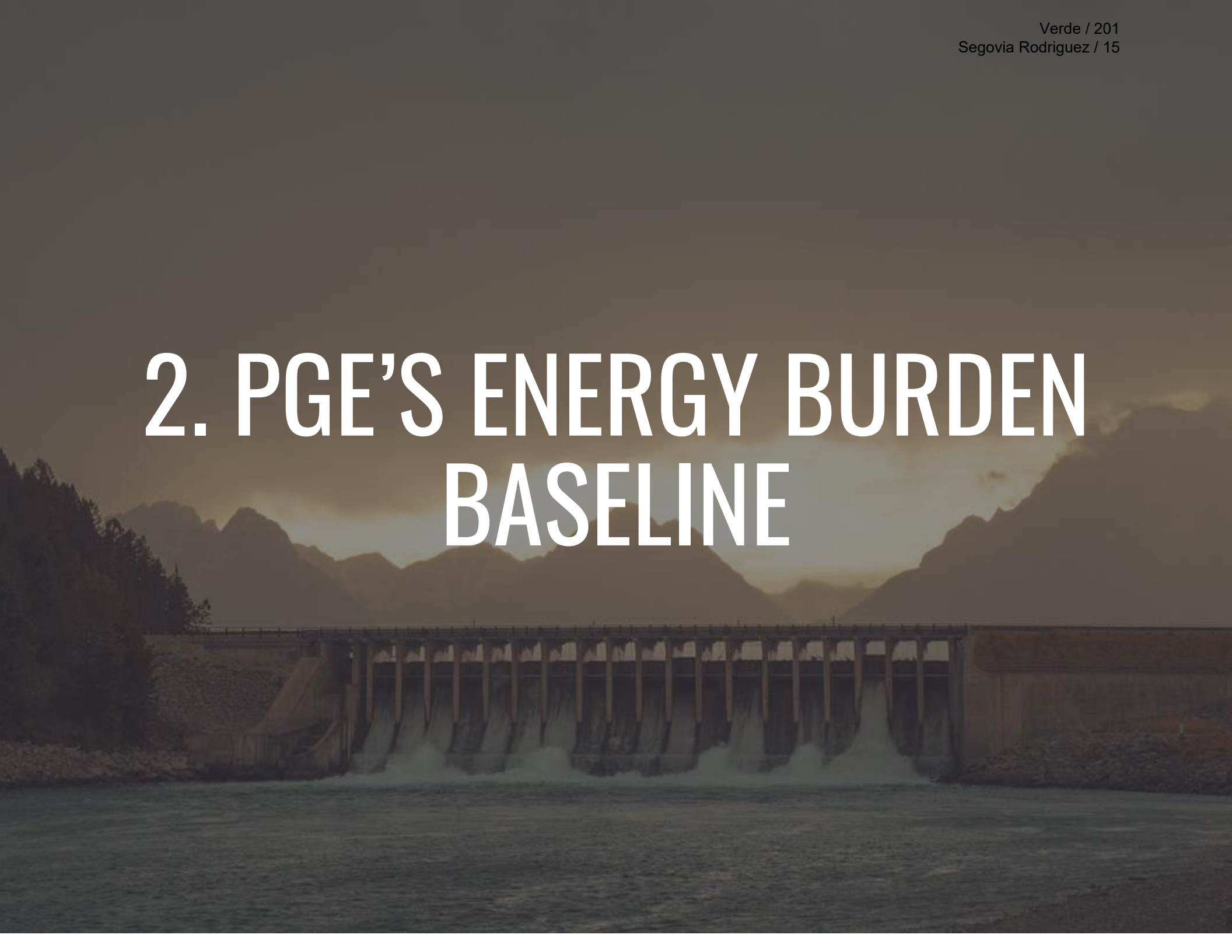
- **Poverty status.** Since household size cannot be reliably captured through any available data source, household poverty status is subject to uncertainty. The State Median Income uses household size as a scaling factor. In this analysis, we have used income thresholds for 2-person households for consistency and clarity, but they may under-estimate or over-estimate the actual income eligibility depending on the actual sizes of low-income households in this service area.

- **Individual vs. aggregate data usage.** The underlying dataset has customer-level flags for data quality – data from primary sources is considered high quality while modeled data is considered medium or low quality, depending on the availability of supporting sources of information (example, home values and location). Higher quality data can be used for individual program targeting, lower quality data can be used for program design and aggregate reporting.

- **Building types.** There is some uncertainty in the classification of building types as described in Section 1.3. This could result in misclassifying non-residential meters as occupied households or single family/mobile homes as multifamily.

- **Achievable reductions in energy assistance need.** This analysis presents a *technical* energy assistance need based on energy burden. However, in our experience with energy assistance programs in general, many customers may not participate in programs, regardless of program design or available benefits due to a variety of barriers like access to information, application process difficulties, stigma and lack of trust. Understanding the *economically achievable* reduction in energy assistance need through utility programs would require a qualitative research of non-participants in a utility's service area.

2. PGE'S ENERGY BURDEN BASELINE

The background image shows a large dam with multiple spillways. Water is cascading over the spillways, creating white foam. The dam is situated in a valley with mountains in the distance. The sky is a mix of orange and grey, suggesting a sunset or sunrise. The overall tone is somewhat somber and industrial.

2.1 PGE RESIDENTIAL SECTOR PROFILE

PGE’s service territory in Oregon was composed of approximately **800,000 occupied households** in 2023 (exceeding a minimal level of 1,200 kWh/year of energy use and not exceeding 60,000 kWh/year).

Ethnicity: According to the U.S. Census Bureau, approximately 68% of residents in PGE’s service area are non-Hispanic white. Hispanic residents comprise 16% of the population, mainly concentrated in Marion county.

Household Income: The median household income for residents in PGE’s service area was approximately \$94,000 in 2023, above the state median. Approximately **24%** of residents would fall under 60% of the State Median Income (see table on following page for SMI values). An additional 16% of households earn between 60-100% of the state median income. These “borderline” customers would be ineligible for almost all energy assistance programs, but may still bear a relatively high level of energy burden. Designs for programs that are ratepayer-funded should take into account the degree of additional burden that would be imposed on these customers.

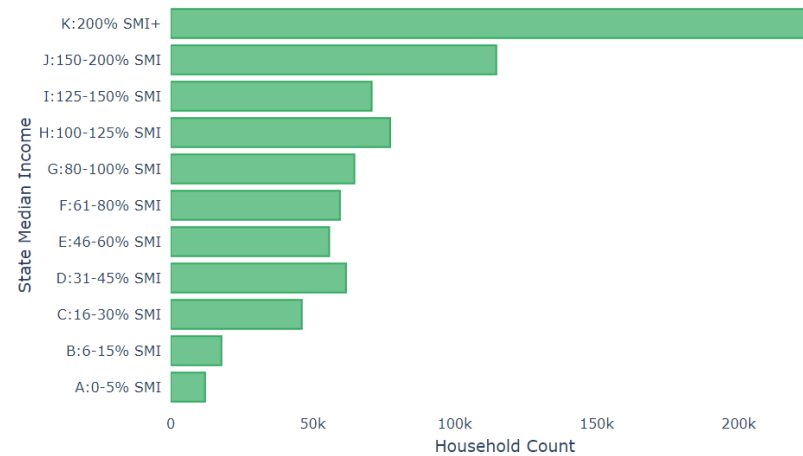


Figure 1. Distribution of households by household income as a percent of state median income for PGE residential customers

Household Size	60% of Annual State Median Income (SMI)	
	2023	2024
1	\$31,266	\$33,427
2	\$40,886	\$43,712
3	\$50,506	\$53,997
4	\$60,126	\$64,282
5	\$69,747	\$74,567
6	\$79,367	\$84,852
Each additional member	\$1,803	\$1,929

Energy Bills: PGE’s residential volumetric electricity rates are somewhat high for the region, but the basic charge is relatively low. Annual energy bills average **approximately \$1,900/year (2024 projection) with an average annual consumption of 9,800 kWh**, with approximately 46% of customers using electricity as a primary or secondary heating fuel. Figure 2 shows the distribution of annual electricity bills.

Home Vintage: Of the homes with a known age, approximately 46% were built after 1980, 40% were built between 1940 and 1980, with the remainder built prior to 1940. Older homes have more opportunities for weatherization, while newer homes could benefit more from lighting, controls and efficient appliances.

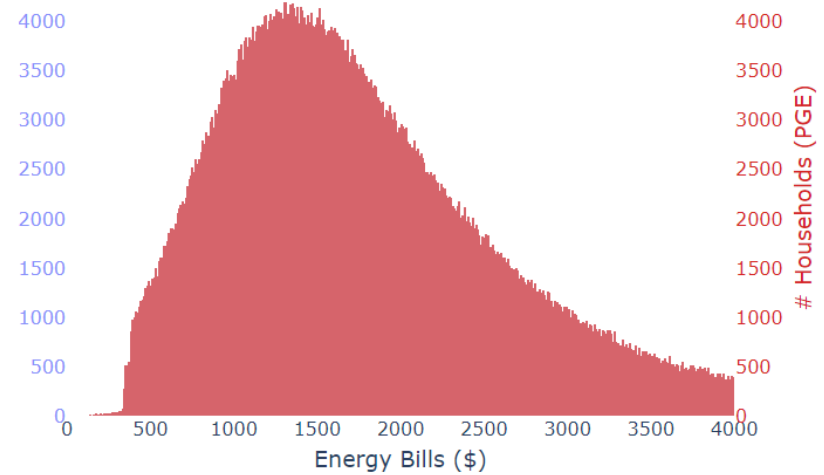


Figure 2. 2024 Household electricity bill distribution for PGE residential customers

2.2 ENERGY BURDEN

PGE customers have an **average and median electricity energy burden of 4% and 1.8%**, respectively. Figure 3 compares PGE’s median total energy burden (including an estimate of gas burden for non-electrically heated households) to values published in other jurisdictions. The median burden is comparable to metropolitan regions in the Pacific Northwest.

The average household will pay \$1,900/year in electricity bills in 2024. Of 800,000 identified households, **140,000 were deemed to have a high energy burden**, of which an estimated 118,000 would fall under 60% State Median income - meaning that annual electricity bills exceeded 6% of their income for electrically-heated homes and exceeded 4% of their income for non-electrically heated homes. Low-income high-burden customers paid an average of \$2,300 in annual electricity bills; the higher bill average reflects their higher likelihood to live in less efficient or older homes. The **total energy assistance need for PGE customers in Oregon is approximately \$155M across all incomes and \$133M in households that earn under 60% SMI**—this is the total reduction

that would bring all customer electricity bills below the high burden threshold (6% of income for electric heat and 4% for non-electric heat).

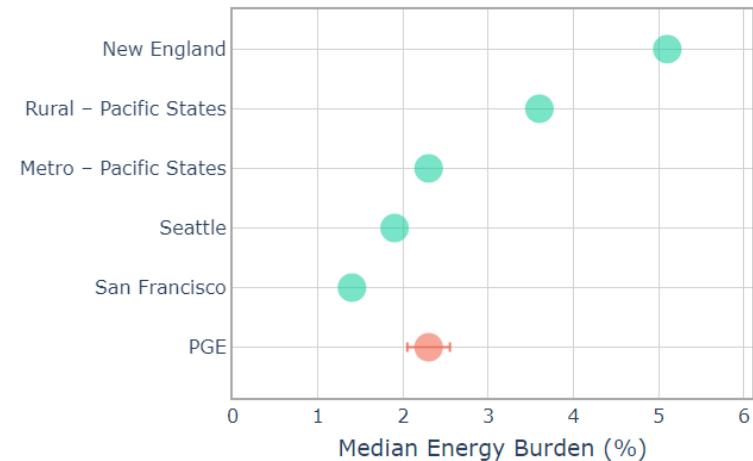


Figure 3. Energy burden benchmarking vs. other regions. Data for other regions is the median across each region, not specific to any utility.

PGE’s energy charge in its 2024 residential retail rate is approximately 16.5 cents/kWh, which is higher than other utilities in the region but in line with the national average of 16 cents/kWh. High energy use combined with high per kWh charges, appear to be the most significant drivers of high energy burden in the area.

Although averages and medians give a general indication of energy burden across a service territory, the reality is that **energy burden is a customer-level metric** and its distribution is a better indicator of the burden that customers experience. The distribution of energy burden among PGE customers is shown in Figure 4.

The goal of an effective energy assistance portfolio should be to prioritize the customers who most need the assistance, i.e. the customers exceeding the 6%/4% thresholds.

Approximately 60% of the energy assistance need is borne by single family households, with 32% in multifamily homes. 55-60% of the energy assistance need for PGE customers is among renters, highlighting the challenge of reaching these customers through energy efficiency or weatherization. Other customer segments can be investigated in more detail in the data dashboard.

Number of Occupied
Households
~800,000

Low Income Households
Under 60% SMI:
~190k ± 10%

High Burden Households*
~140,000 (all)
~118,000 (LI)

Median Electricity Burden
of high-burden
households
~8.3%

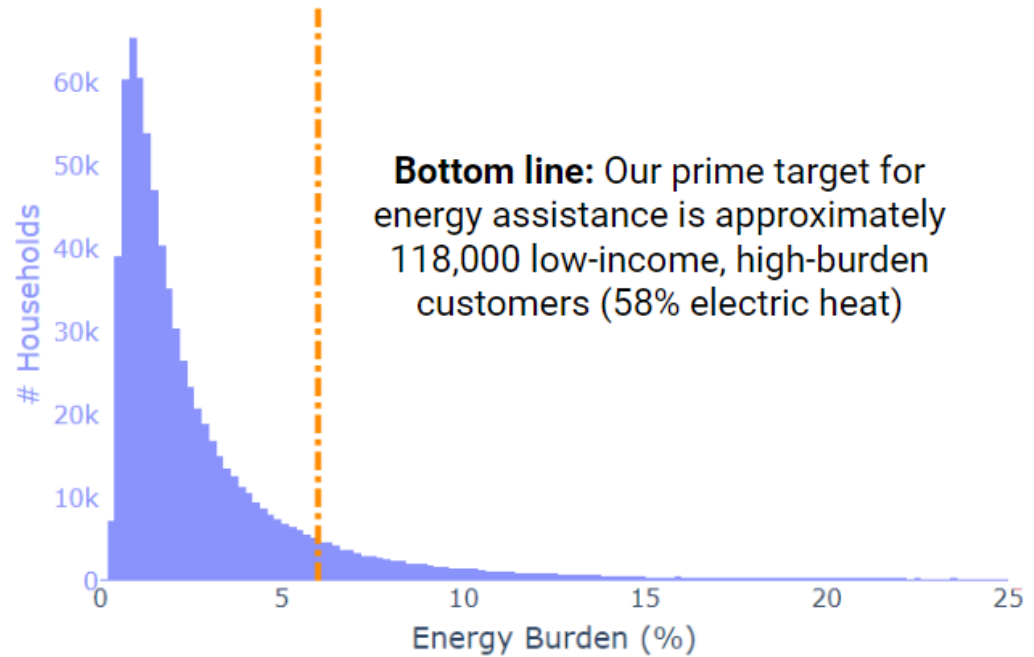


Figure 4. Distribution of energy burden among PGE customers.

Figure shows all homes but dashed line indicating 6% high energy burden threshold applies to electric heat households.

2.3 ENERGY EFFICIENCY VS DIRECT ASSISTANCE

Figure 5 shows the distribution of energy burden and energy efficiency potential (defined through Energy Use Intensity thresholds) across all low-income residential customers. In a perfect world, the energy assistance portfolio would match these customer segments. For example:

- Energy efficiency and weatherization programs should primarily serve **high burden, high potential** households
- Direct assistance programs should primarily serve **high burden, low potential** households
- Crisis/emergency programs should primarily serve **low burden, low potential** households
- Traditional energy efficiency programs with financing should serve **low burden, high potential** households

Aligning targeted customers with program strengths results are the most cost-effective pathway to energy burden reduction.

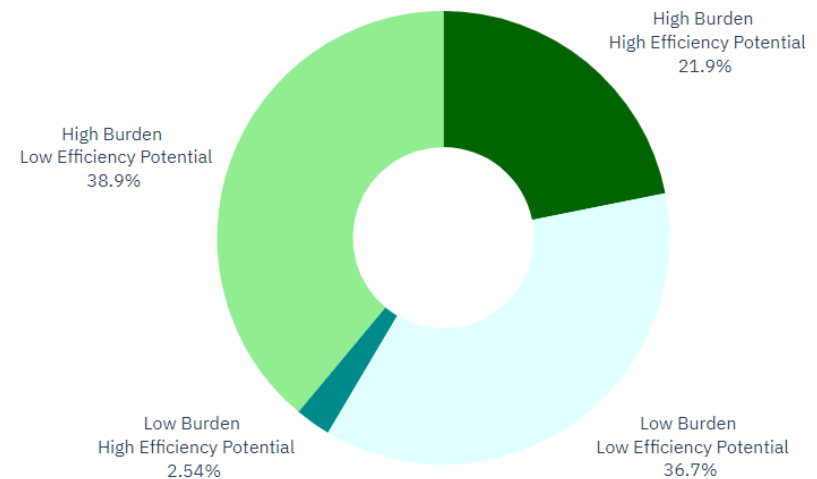


Figure 5. PGE low-income customer segments by energy burden and energy efficiency potential.

Approximately 37% of PGE's low-income customers are low-burden and low-efficiency potential. These customers' energy bills may not be a huge expense relative to housing, medical and education expenses, and they should not be prioritized in the more intensive programs, such as weatherization.

Almost 36% of high burden customers also have a high efficiency potential indicating that the energy assistance program mix should equally prioritize sustained energy burden reductions through energy efficiency and weatherization. Within this group of low-income, high-burden and high efficiency potential households, approximately 54% live in single family homes and 67% are renters. While energy efficiency is a more sustained form of energy burden reduction, we should recognize that scaling up low-income weatherization faces a host of barriers. Energy efficiency and direct assistance are not mutually exclusive and these customers are also in need of more immediate assistance options (through rates, grants or discounts).

3. KEY CUSTOMER SEGMENTS

A11

A12

HOUSE

3.1 OVERVIEW

This section presents statistics and profiles related to some key customer segments in PGE's Oregon service area. These customer segments were selected for a combination of reasons:

1. Flagged in this assessment as having high overall burden or high prevalence of energy burden
2. Identified as having low access to existing programs
3. Identified as vulnerable through the Department of Energy's environmental justice screen

This analysis is primarily geographic, focusing on specific neighborhoods. The maps in the following sections display the level of energy assistance need in these areas as well as locations of social services for potential outreach (green dots).

These customer segments represent only a portion of the high energy burden among PGE's customers, but they are intended to serve as an example of the targeting analysis that PGE can perform for their programs or outreach initiatives in the future.

3.2 POWELLHURST-GILBERT

Census tracts: 41051008400, 41051008500, 41051009000

Total Assistance Need: **\$2.9M (1.8% of total need)**

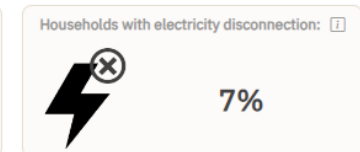
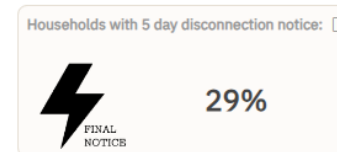
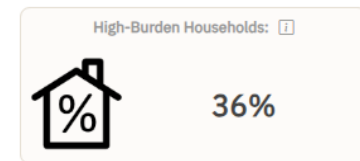
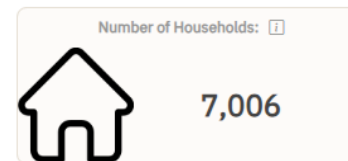
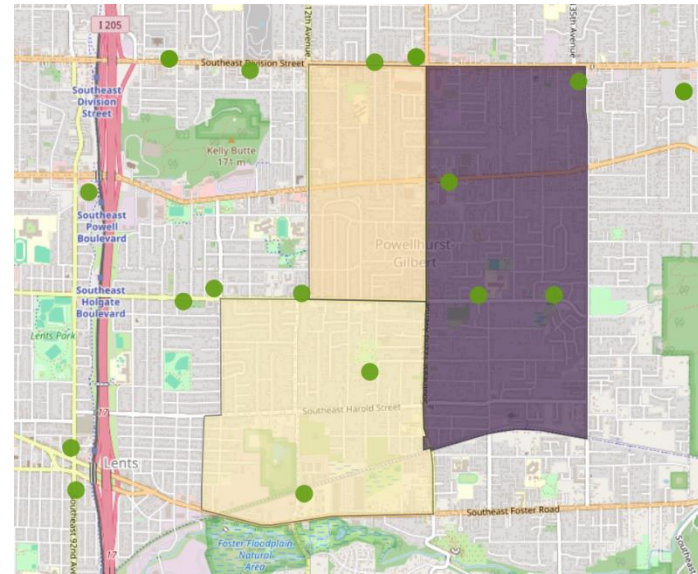
Total Assistance Funding: **\$1.5M (2.3% of total funding)**

People of Color: 44%

Linguistic Isolation: 11%

PROFILE: The Powellhurst-Gilbert area of Eastern Multnomah county is a very diverse community with over 44% people of color and over 11% of the population living in linguistic isolation (Asian, Spanish and East European). Members of this community tend to be renters (~60%) living in older homes (45 years old on average) but with a generally high housing burden. On the other hand, it appears to be well served by existing assistance programs.

RECOMMENDATIONS: This area is relatively densely populated and can be effectively reached through social media as well as by connecting to large property managers. Outreach to local businesses can also help reach customers and bridge the linguistic divide. On-site energy bill clinics or door-to-door canvassing could also provide a positive customer touchpoint for encouraging customers to apply to assistance programs.



3.3 ESTACADA AND ITS OUTSKIRTS

Census block groups: **410050242001, 410050242002**

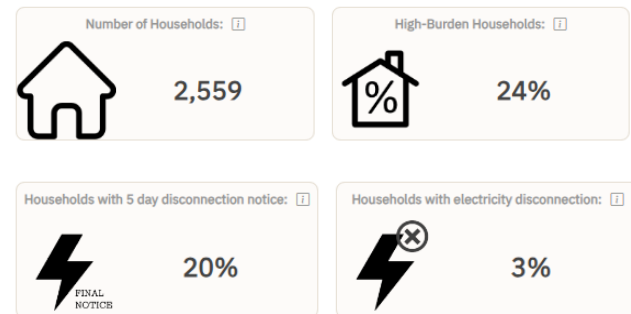
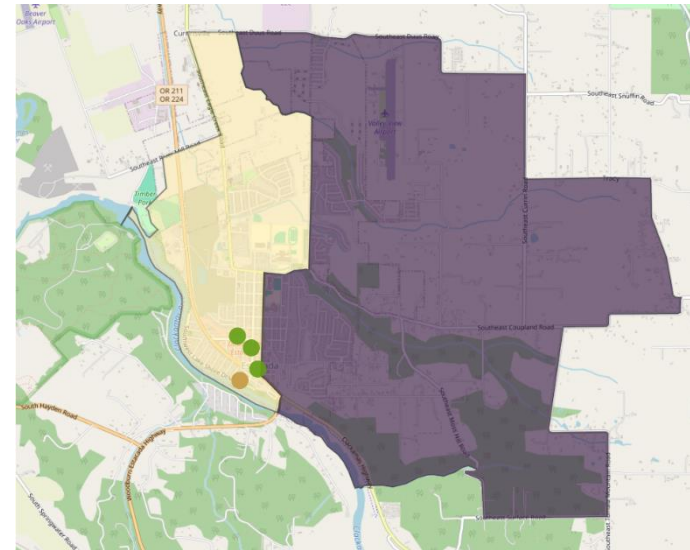
Total Assistance Need: **\$870k (0.6% of total need)**

Total Assistance Funding: **\$300k (0.4% of total funding)**

High Efficiency Potential households: **28%**

PROFILE: The area around Estacada has a moderate level of energy burden, with 24% of households experiencing high energy burden. The region was flagged for having a lower than expected participation rate and high energy efficiency potential. Most of these residents are single family homeowners.

RECOMMENDATIONS: The area should be prioritized for weatherization or lighter touch energy efficiency (e.g. energy savings kits, thermostats and air sealing), as many customers have a high energy savings potential and own their homes. Outreach through traditional community based organizations may be challenging because of location, but connecting with schools and local churches might be more productive.



3.4 GERVAIS AREA

Census block groups: **410470025021, 410470025022, 410470025023, 410470103031, 410470103032**

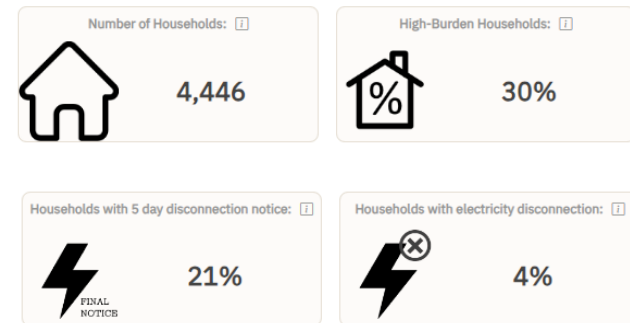
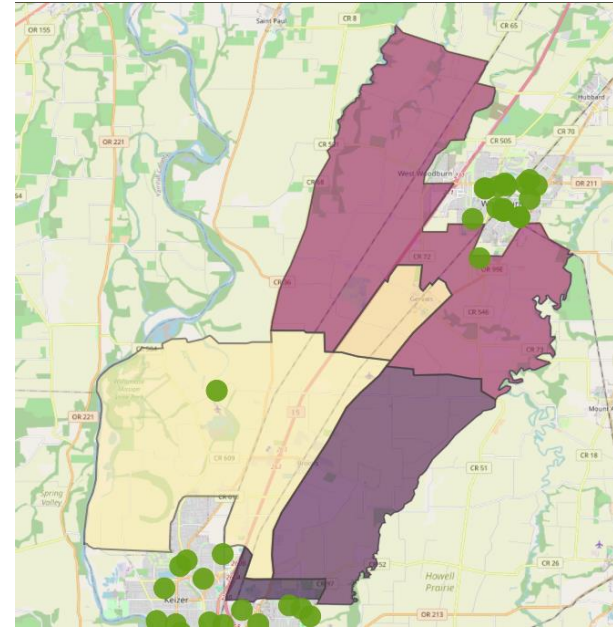
Total Assistance Need: **\$1.9M (1.2% of total need)**

Total Assistance Funding: **\$500k (0.7% of total funding)**

People of Color: **48%**

PROFILE: The area around Gervais in Marion county is mostly rural and agricultural. There is a high proportion of Hispanic households and 15% of customers live in mobile homes, with the remainder living mostly in owned or rented single family homes. Although housing burden is relatively low, households use 13,200 kWh/year on average (35% more than the average for PGE), with annual electricity bills slightly over \$2,500/year. Households in this area appear to be underserved by existing programs.

RECOMMENDATIONS: The area itself does not have many social services (most are either in Salem to the south or Woodburn to the north). Given the nature of the area, it may require more boots-on-the-ground culturally/linguistically appropriate outreach to reach households in need, perhaps through county fairs, rural resource fairs or local events.

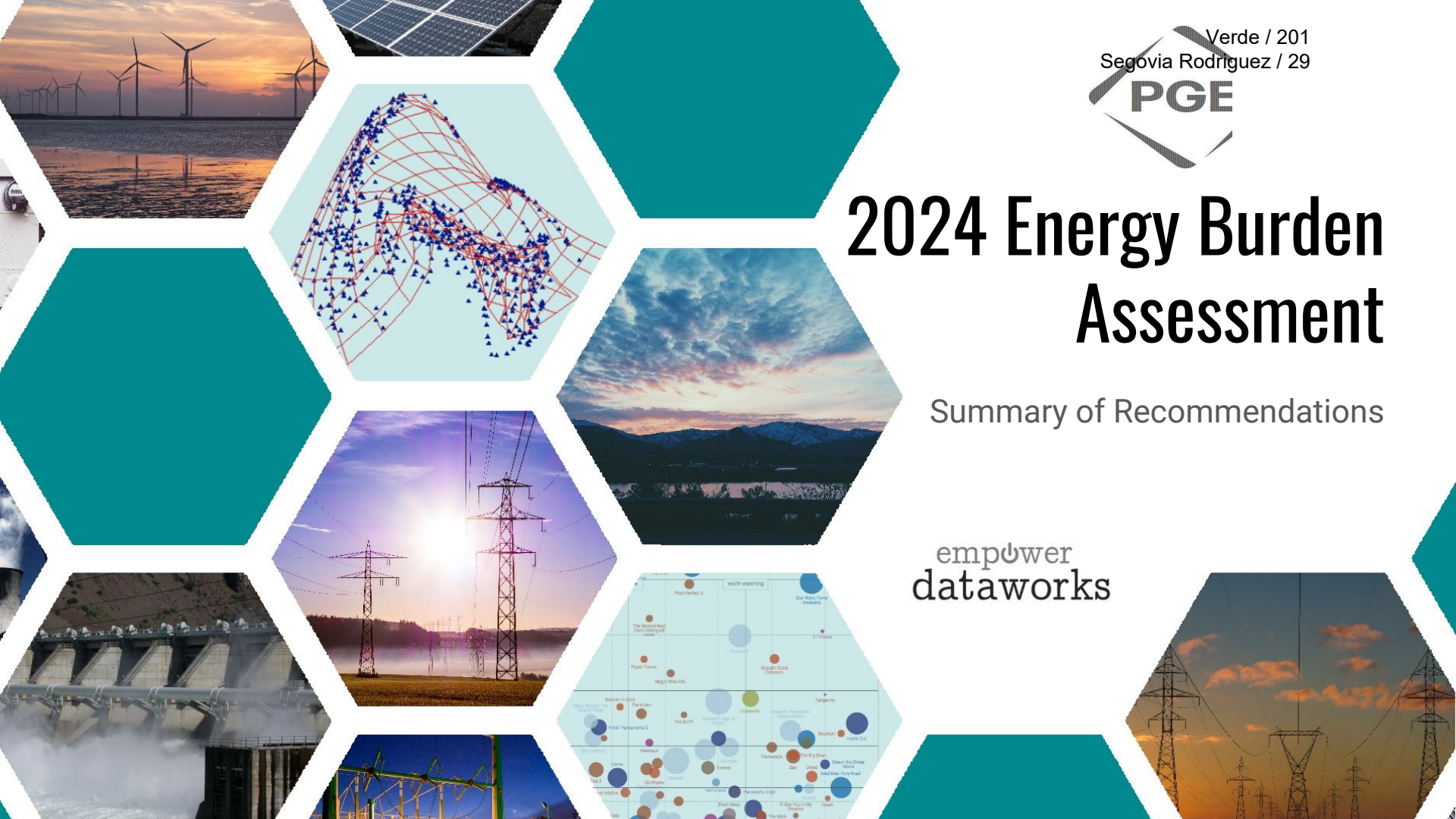


empower dataworks
www.empowerdataworks.com

2024 Energy Burden Assessment

Summary of Recommendations

empower
dataworks



Main Takeaways - Energy Burden Assessment

- **The IQBD program is operating effectively and is following energy assistance program best practices. There are no major recommended changes to the foundation of the program.**
- In 2024, total energy assistance funding is expected to exceed 51% of the energy assistance need for PGE's customers and IQBD is growing quickly to fill that gap.
- Most recommendations in this assessment are auxiliary components that can be added to PGE's energy affordability portfolio:
 - **Enrollment:** How to keep up the momentum of program enrollment as the IQBD program matures
 - **Arrearages:** How to best serve customers at risk of disconnection
 - **Energy Efficiency:** How can we leverage energy efficiency for sustained energy burden reduction
 - **Energy assistance hole:** How to best serve customers who have unaffordable bills but are ineligible for assistance programs
 - **Other:** How do we design more equitable rates, smooth the impact of rate increases, modulate the ups and downs of our programs and target assistance at customers who need it the most

Summary of Recommendations

	Recommendation	Cost/Complexity	Impact/Priority	Timeline
IQBD	Track energy assistance funding percent as an IQBD evaluation metric	Low	Low	2025
	Focus immediate IQBD outreach efforts on 0-15% SMI households	Medium	Medium	Q3 2024
	Communicate about IQBD program to customers at risk of disconnection	Low	Medium	Q3 2024
	Assess impact of enhanced discounts for lower income tiers	High	High	Q3 2024
	Reduce need for reapplication of fixed income IQBD participants	Low	Low	Q4 2024
	Implement a targeted post-enrolment verification protocol	Low	Medium	2025
Program Portfolio	Assess impact of retroactive application of bill discount for customers in arrears (arrearage forgiveness)	Low	Medium	Q4 2024
	Initiate a Program Navigator fund for partner nonprofits to help customers access programs	Medium	High	2025
	Adjust timing of marketing about the IQBD and other energy assistance programs	Low	Low	Q3 2024
	Implement an energy use diagnostic protocol for high users in energy assistance programs	Low	Medium	2025-26
	Consider an energy audit program for high users in energy assistance programs	Medium	High	2025
	Allocate energy efficiency funding to low-income, high-burden customers	High	High	2026+
Other	Consult with advisory groups on potential solutions to help households under state median income but above energy assistance income thresholds	Medium	Low	2025
	Adjust timing of rate increases	Low	Medium	2025
	Consider revisiting fixed charge component of residential rate schedule	Medium	Medium	Next GRC

Insights: High-level Affordability Gap

Low-Income, High Burden
Households

~118,000



Income-eligible only



2024 Projection not including additional
program participation:
LIHEAP + OEAP + third party funding: \$25M
IQBD: \$43M

→ At program maturity (year 5+), best practice is to target at least 60-70% of the need available as program funding - with additional projected participation, IQBD should hit this target in 2025. Once this target is reached, participation usually slows down and focus shifts to program optimization and targeted outreach.

Recommendation: Track total energy assistance funding as a percent of energy assistance need as an annual metric

Discount Tier Analysis

Recommendation: Assess the feasibility and benefit vs. cost of enhanced discounts for lower income tiers

Example: Increase discounts to 90% & 70% or combine into one tier at 75% discount

Estimated budget impact at current enrollment (Q1 24):
90%: ~\$5.1M (+12%)
70%: ~\$4.6M (11%)

Example: Enhance discount for this group who is under the federal poverty level to 50% discount

Estimated budget impact at current enrollment (Q1 24): ~\$11M (+26%)

Income tier	Discount Level	Average need of high-burden households as a percent of bill
0-5% SMI	60%	90%
6-15% SMI	40%	67%
16-30% SMI	25%	45%
31-45% SMI	20%	23%
46-60% SMI	15%	16%

Current discount rates are suitable

Arrearage Relief

Challenge:

Some customers do not address arrearages until an actual disconnection happens.

Recommendations:

Awareness of programs: Ensure that all late payment and disconnect notifications include information about IQBD, payment plans and payment extensions. Enhance communication about IQBD to customers at risk of disconnection.

Arrearage relief for program participants: Assess the feasibility and benefit vs. cost of a capped budget arrearage relief program. For simplicity, the program could be made available to IQBD participants with arrears and apply the customer's bill discount percent retroactively for arrears up to a limit (e.g. X% discount on first \$1,000 of arrears).

Pilot estimate: \$1M arrearage relief fund can likely serve 3,000-4,000 IQBD arrears customers.

Diversity of Service Territory

Challenge:

PGE's service territory has a myriad of cultures and ethnicities, a variety of economic backgrounds, urban and rural households and more. PGE cannot feasibly become an expert in outreach to every community within its service area.

Recommendation:

Program Navigator Fund: Incentivize local community-based organizations (CBOs) to refer and support customers in applying for the program. These CBOs would serve as the "Program Navigators" would be CBOs that register with PGE and would be compensated per successful customer application. Program Navigators would be trained to refer customers to other programs (e.g. LIHEAP, Energy Trust, etc.) in addition to IQBD and assist with the application process.

Pilot estimates: \$200k fund, \$75 per successful application. Program/pilot may be coordinated jointly with NW Natural.

Energy Efficiency Potential

Challenge:

High energy users overutilize program funds while the root cause of their high energy burden remains unaddressed. There are 47,000 low-income customers who would potentially be good candidates for energy efficiency measures, but existing low-income EE programs serve relatively few households.

Recommendations:

First step towards integrating energy efficiency with IQBD is to identify and understand the high use participants.

Energy use diagnostic: Develop a protocol for outbound customer service advisors to contact high-use households, perform a diagnostic of their hourly energy use, and collect data related to the drivers of high energy use. Estimated staff time: 15-20 minutes per successful outbound call.

Energy audit program: Establish a energy audit pilot program (through RFP) that focuses on the top 2,000 or so users in IQBD (\$1.5M approx. budget). Program should include walkthrough energy audit, ETO and EE credit referrals, direct install (LEDs, aerators). List of high priority homes should be provided to program implementer. This program can be designed to be cost-effective through realized savings in IQBD discounts.

Coordination with energy efficiency providers: Work with ETO and CAP agencies to target EE funds at low-income, high burden households.

Addressing high-burden, program-ineligible households

Challenge:

There are households that are not eligible for existing programs but need assistance.

This includes households that:

- Are under the state median income, have a high energy burden, but are ineligible for assistance
- Constrain their energy use due to lack of affordability and lack of program access
- Are **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed
- Earn above the program income thresholds but under the Self Sufficiency Standard Income

Recommendations:

Difficult to solve through PGE because most customers in this category would benefit most from energy efficiency. Consult with stakeholders on best approach:

- Option 1: Energy assistance path: Allocate a budget for customers in an additional income tier (60-100% SMI) - perhaps a fixed one-time grant - equivalent to one average winter bill (\$150-200)
- Option 2: Work with Oregon Energy Fund on expanding eligibility for their program and increase annual donation
- Option 3: Work on expanding access to the Oregon on-bill financing program for energy efficiency - perhaps through waived or reduced interest and fees for income-eligible households

Managing the Demand Cycle

Challenge:

Varying demand can strain program staff, overload customer service advisors and delay application processing.

Recommendations:

Reduce need for reapplication: Allow fixed income customers (34% of total) to reapply every 4-5 years instead of every two.

Communication timing: Biggest marketing pushes should be in September/October **before** high bill season. Include communication about projected winter bills including rate increases and energy efficiency tips to encourage customers to apply early.

Rate increase timing: Consider delaying annual rate increases to April of each year instead of January 1st to avoid bill shock from cold weather + rate increases.

Post-enrolment verification

Challenge:

IQBD was designed with self-declared income and the intent was to establish a post-enrolment verification process for 3% of participants in a random draw.

Recommendations:

Targeted verifications: Instead of random process, consult with IQBD advisory group to determine criteria for initiating a verification (e.g. high property value, own multiple properties, high estimated income).

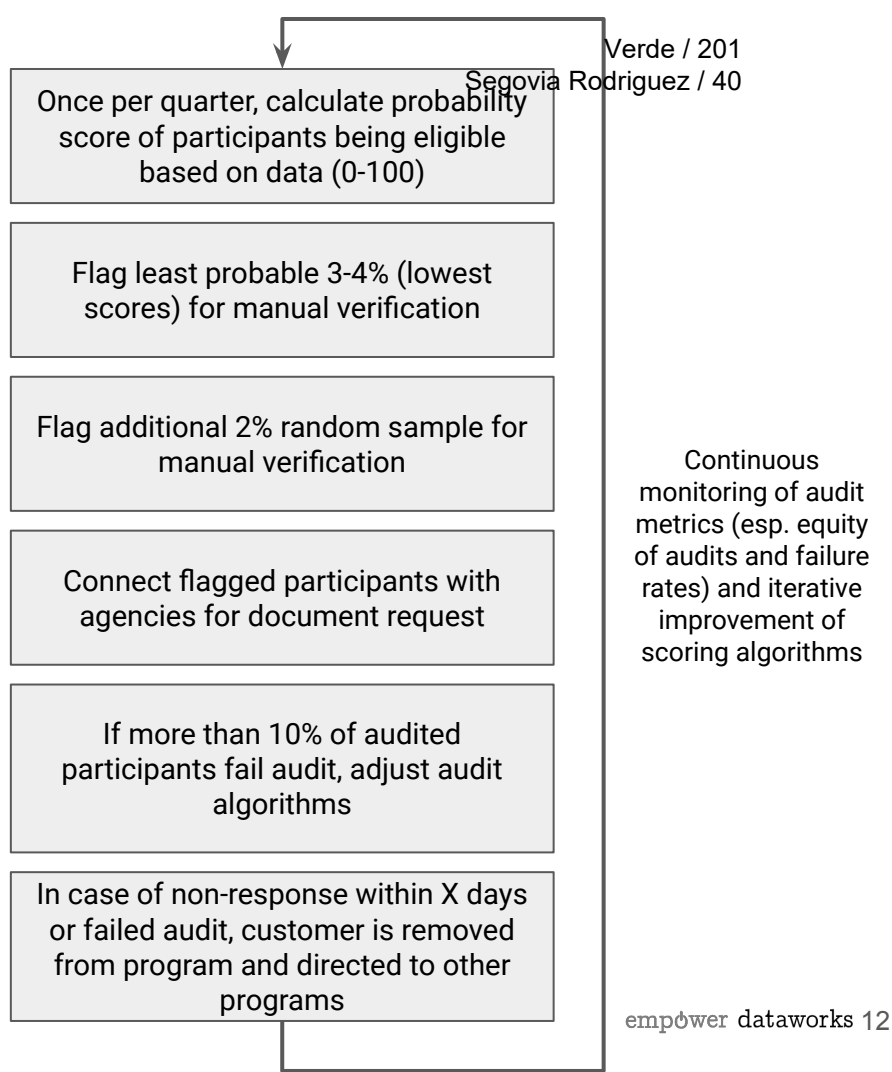
Potentially use remunerated program navigators (see above) to assist customers with responding to the verification request.

Audit Protocol for Self-Verification and Auto-Enrollment

The audit process and scoring algorithms are developed and operated within the utility - customer audit lists are shared with agencies.

Data requirements:

- Home values
- Housing type
- Multiple accounts/seasonal homes
- Renter/homeowner
- Disconnect/past due notices
- Home location and average neighborhood energy burden
- Estimated customer income range (optional)



Rate design

Cost of service for multifamily is not very different from single family. Single family can include old 900 sq. ft homes and brand new 7,000 sq.ft mansions.

The fixed charge also does not reflect PGE's true fixed costs (average of \$30 for the residential class). This encourages conservation and solar but low-income customers cannot afford these improvements.

Monthly Rate

The default plan is priced as the total of the following charges per Service Point (SP)*:

<u>Basic Charge</u>	
Single-Family Home	\$13.00
Multi-Family Home	\$10.00
<u>Transmission and Related Services Charge</u>	0.678 ¢ per kWh
<u>Distribution Charge</u>	6.844 ¢ per kWh
<u>Energy Charge</u>	8.814 ¢ per kWh

Rate design

Recommendation:

Rate structure can be more aligned with cost of service **and** with customers' ability to pay. Consider splitting the fixed charge by service size (under 100 amps, 101-200 amps and 201+ amps), which fully reflects the cost of service and is much more aligned with income and ability to pay. The variable distribution charge might also be correlated to service size. Evaluate raising the fixed charge with a corresponding decrease in the kWh charge.

Other utility rate structures suggest a 3-4X spread between the smallest and largest service sizes (as opposed to 27% for single family vs multifamily).

Two additional changes can augment the small service size: (i) auto-enroll IQBD participants as small service (ii) introduce a gradient for future rate increases so that this tier experiences smaller increases

Example of service size-based fixed charge from Snohomish County PUD (North Seattle/Everett, WA):
Verde / 201
Segovia Rodriguez / 42

- **Small Service:**
 - Multifamily units
 - Services with panel sizes of 100 amps or less, or;
 - Supplemental “Add-on” services with panel sizes of 200 amps or less that are located on the same or contiguous parcels as a Schedule 7 dwelling unit billed to the same customer. Such services provide electricity to facilities that are used in conjunction with residential service but are not intended for human habitation such as garages, barns, or well pumps.
- **Medium Service:** Services with panel sizes of up to 200 amps and services connected prior to April 1, 2022 that do not qualify as Small Services.
- **Large Service:** Services with panel sizes greater than 200 amps and less than 401 amps.
- **Extra Large Service:** Services with panel sizes greater than 400 amps.

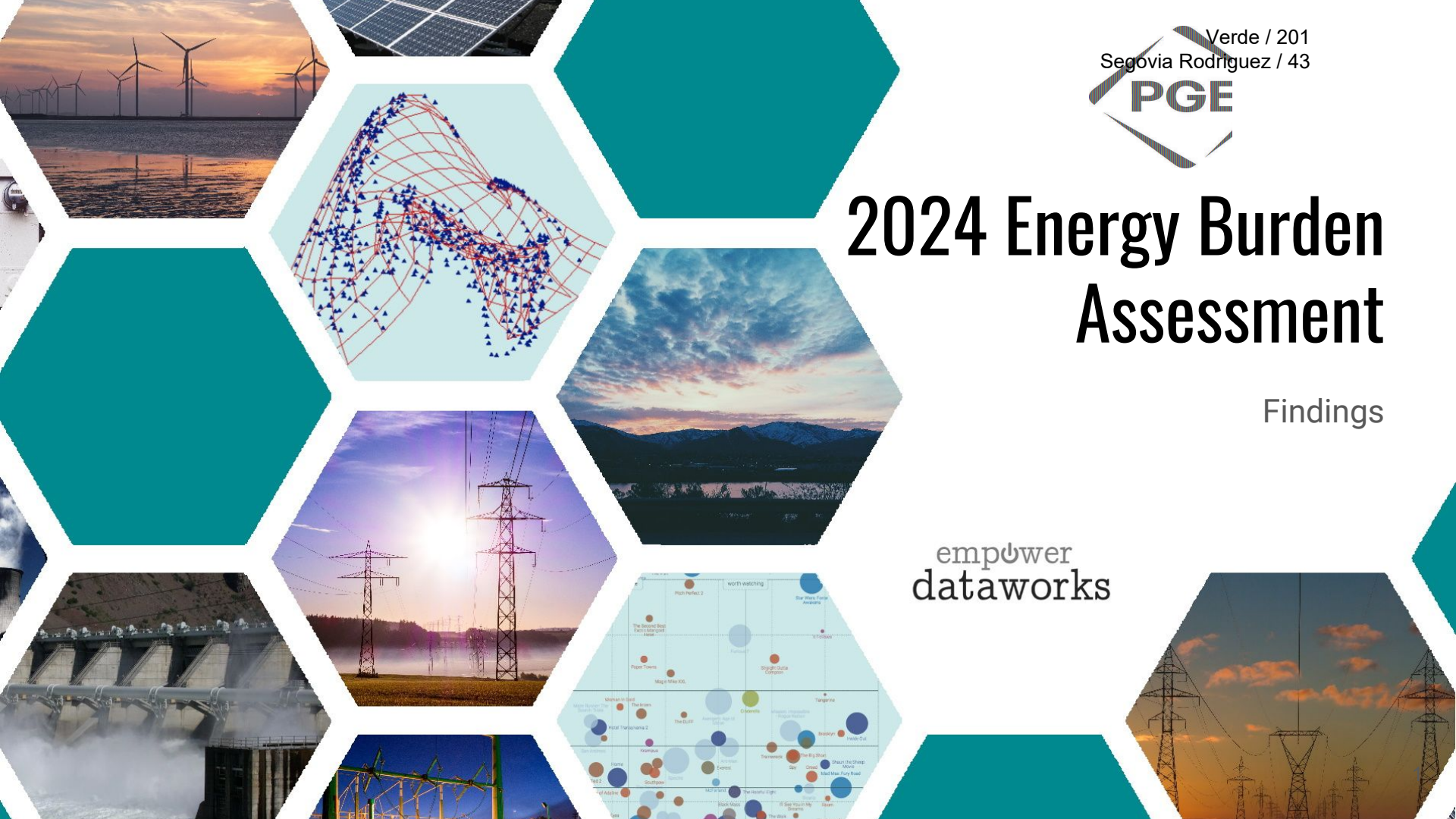
Base Charge per day:

Effective Date	November 1, 2023	April 1, 2024	
Small \$/Day	\$0.22	\$0.36	\$10.80 / month
Medium \$/Day	\$0.35	\$0.59	\$17.70 / month
Large \$/Day	\$0.48	\$0.84	\$25.20 / month
Extra Lg. \$/Day	\$0.77	\$1.37	\$41.10 / month

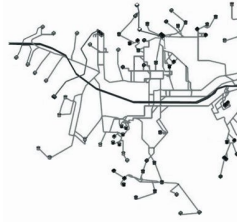
2024 Energy Burden Assessment

Findings

empower
dataworks



What is an Energy Burden Assessment?



Data analysis (not a survey) that uses utility and third-party customer data.



Primary purpose is to estimate the energy assistance need based on customer-level geographic, demographic and building data.



Comparing the need to actual program performance gives us an **actionable** path to improving our energy assistance programs

Energy Burden

Definitions

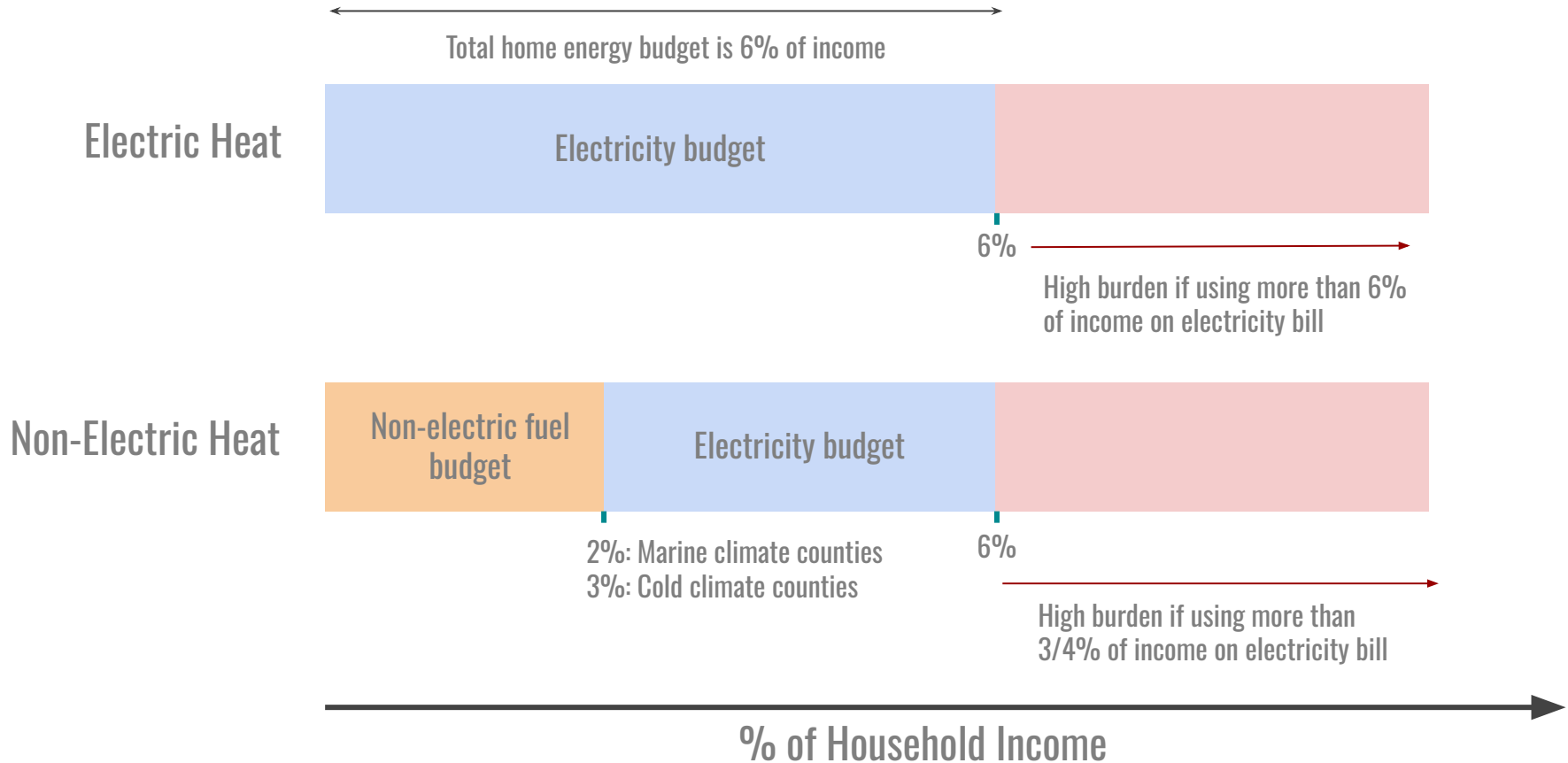
Low-income:

Households earning under 60% of the state median income (SMI)

Household Unit Size	Annual Gross Income
1	\$33,427
2	\$43,712
3	\$53,997
4	\$64,282
5	\$74,567
6	\$84,852

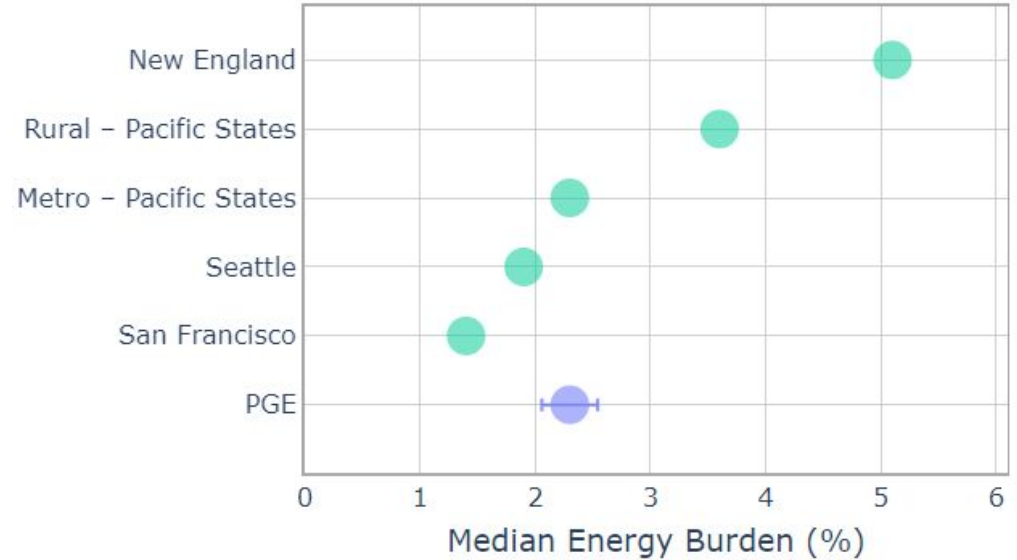
**Most data is reported for the 2023 calendar year. Bills and energy burden are projected for 2024 using 2024 rates and 2023 energy usage. 2024 household incomes are estimated to be 7% over 2023 incomes on average (equal to state median income increase)*

High burden thresholds for multiple fuels



Insights: Energy Burden

- Median energy burden is comparable to other metropolitan areas in the Pacific Northwest.
- Rates are relatively high for the region but households in most of the service area have higher incomes than the state median



Insights: Energy Burden

Number of Occupied
Households

~800,000

Low Income Households
Under 60% SMI:

~190k ± 10%

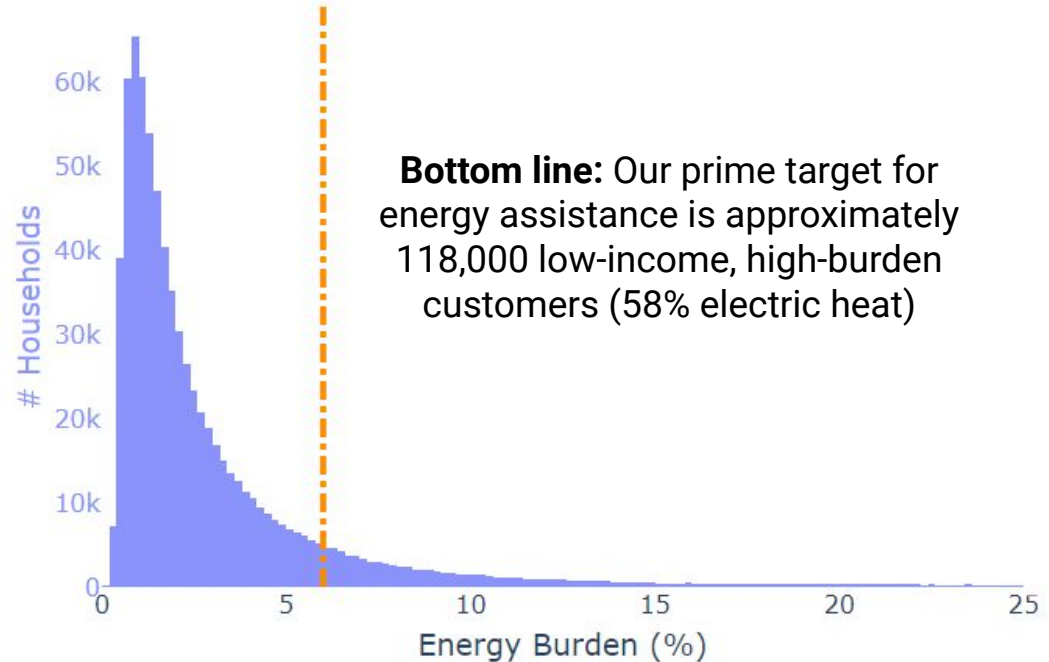
High Burden Households*

~140,000 (all)

~118,000 (LI)

Median Electricity Burden
of high-burden
households

~8.3%



*Energy bills and burden are calculated without factoring in any forms of energy assistance

Insights: High-level Assistance Gap

Low-Income, High Burden
Households
~118,000



Income-eligible only



2024 Projection not including additional
program participation:
LIHEAP + OEAP + third party funding: \$25M
IQBD: \$43M

- At program maturity (year 5+), best practice is to target at least 60-70% of the need available as program funding - with additional projected participation, IQBD should hit this target in 2025. Once this target is reached, participation usually slows down and focus shifts to program optimization and targeted outreach.

Recommendation: Track total energy assistance funding as a percent of energy assistance need as an annual metric

Insights: **Additional Investments in Customer Bill Reductions**

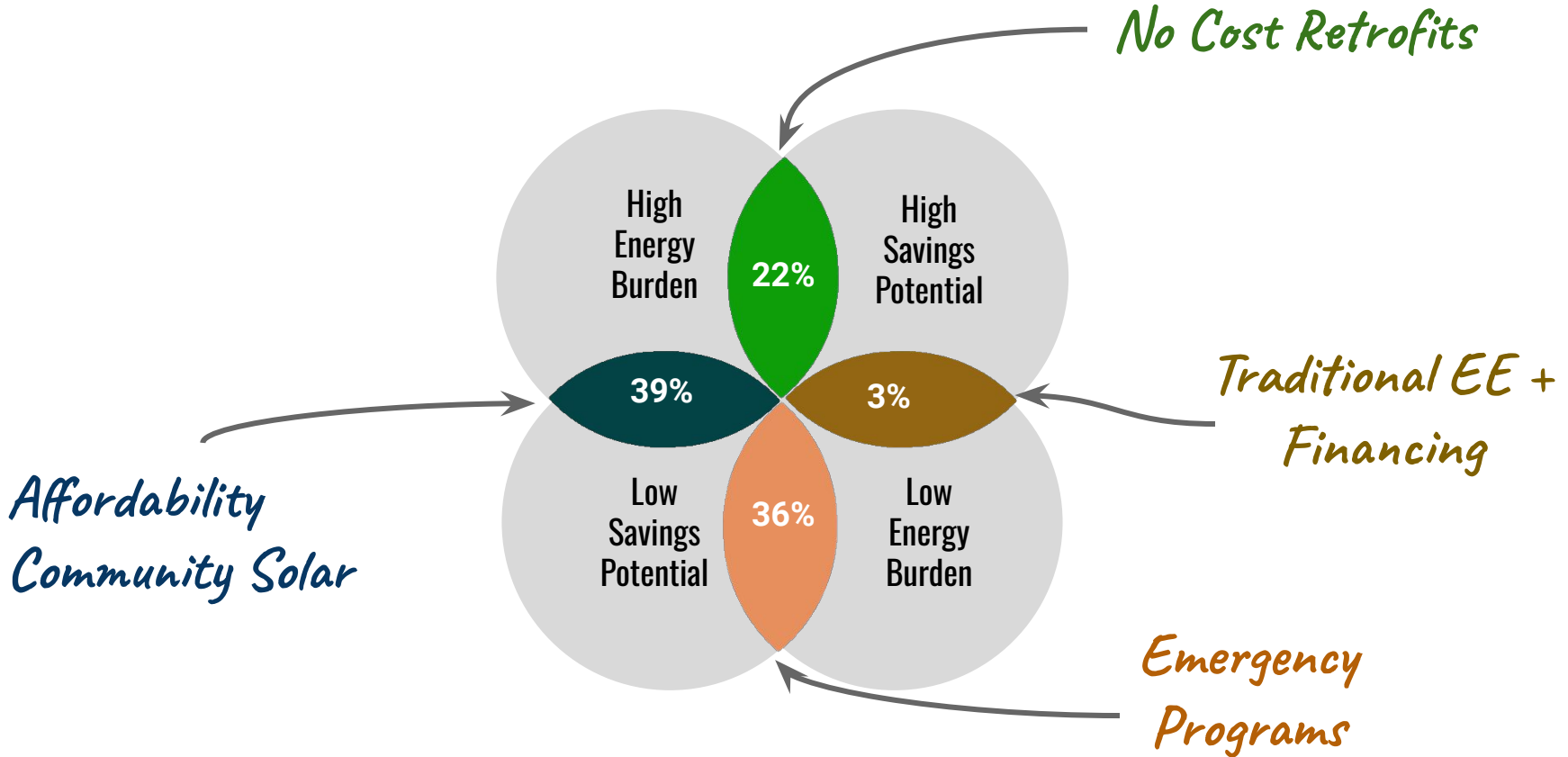
- In 2023, PGE invested approximately \$6M in low-income energy efficiency pilots and programs in collaboration with ETO
 - 2023 participation: ~50 for rooftop LI solar; 448 for Community Partner Funding; 274 for Savings Within Reach

- An additional \$14M is collected through the public purpose charge and used for low-income weatherization through OHCS (few hundred homes per year)

- Currently, these programs reach less than 1% of the eligible population - PGE is setting up the infrastructure that will allow these initiatives to scale in the future, including combining PGE programs with federal and state funding (est. \$160M/year from 2025-2029).

- Low-income weatherization is not always cost-effective and there is a limit to how much household energy use can be reduced, but because IQBD was designed as a bill discount, spending on energy efficiency directly reduces IQBD discounts for program participants

Program Potential



IQBD

Discount Tier Analysis

Recommendation: Assess the feasibility and benefit vs. cost of enhanced discounts for lower income tiers

Example: Increase discounts to 90% & 70% or combine into one tier at 75% discount

Estimated budget impact at current enrollment (Q1 24):
90%: ~\$5.1M (+12%)
70%: ~\$4.6M (11%)

Example: Enhance discount for this group who is under the federal poverty level to 50% discount

Estimated budget impact at current enrollment (Q1 24): ~\$11M (+26%)

Income tier	Discount Level	Average need of high-burden households as a percent of bill
0-5% SMI	60%	90%
6-15% SMI	40%	67%
16-30% SMI	25%	45%
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46-60% SMI	15%	16%

Current discount rates are suitable

Diversity of Service Territory

Challenge:

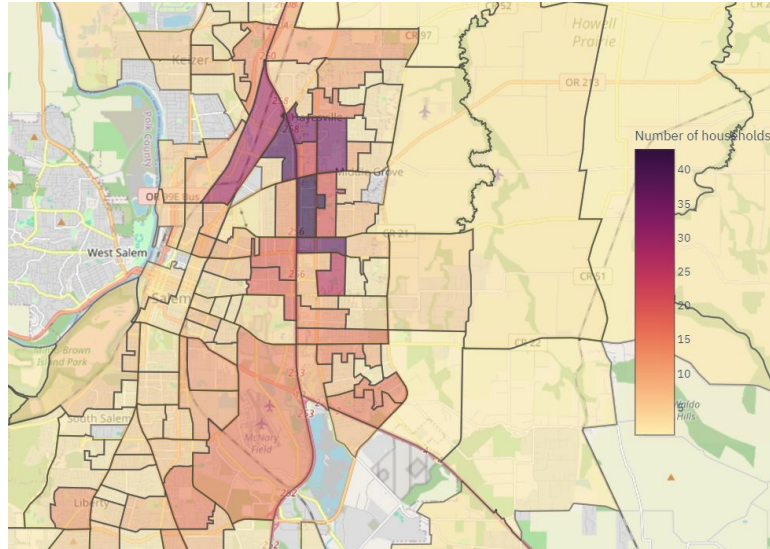
PGE's service territory has a myriad of cultures and ethnicities, a variety of economic backgrounds, urban and rural households and more. PGE cannot feasibly become an expert in outreach to every community within its service area.

Recommendation:

Program Navigator Fund: Incentivize local community-based organizations (CBOs) to refer and support customers in applying for the program. These CBOs would serve as the "Program Navigators" would be CBOs that register with PGE and would be compensated per successful customer application. Program Navigators would be trained to refer customers to other programs (e.g. LIHEAP, Energy Trust, etc.) in addition to IQBD and assist with the application process.

Pilot estimates: \$200k fund, \$75 per successful application. Program/pilot may be coordinated jointly with NW Natural.

Arrearages and IQBD



Approximately 4,000 disconnected households in 2023 were likely eligible for energy assistance but didn't participate

80% of disconnected households have arrears less than \$500

Arrearage Relief

Challenge:

Some customers do not address arrearages until an actual disconnection happens.

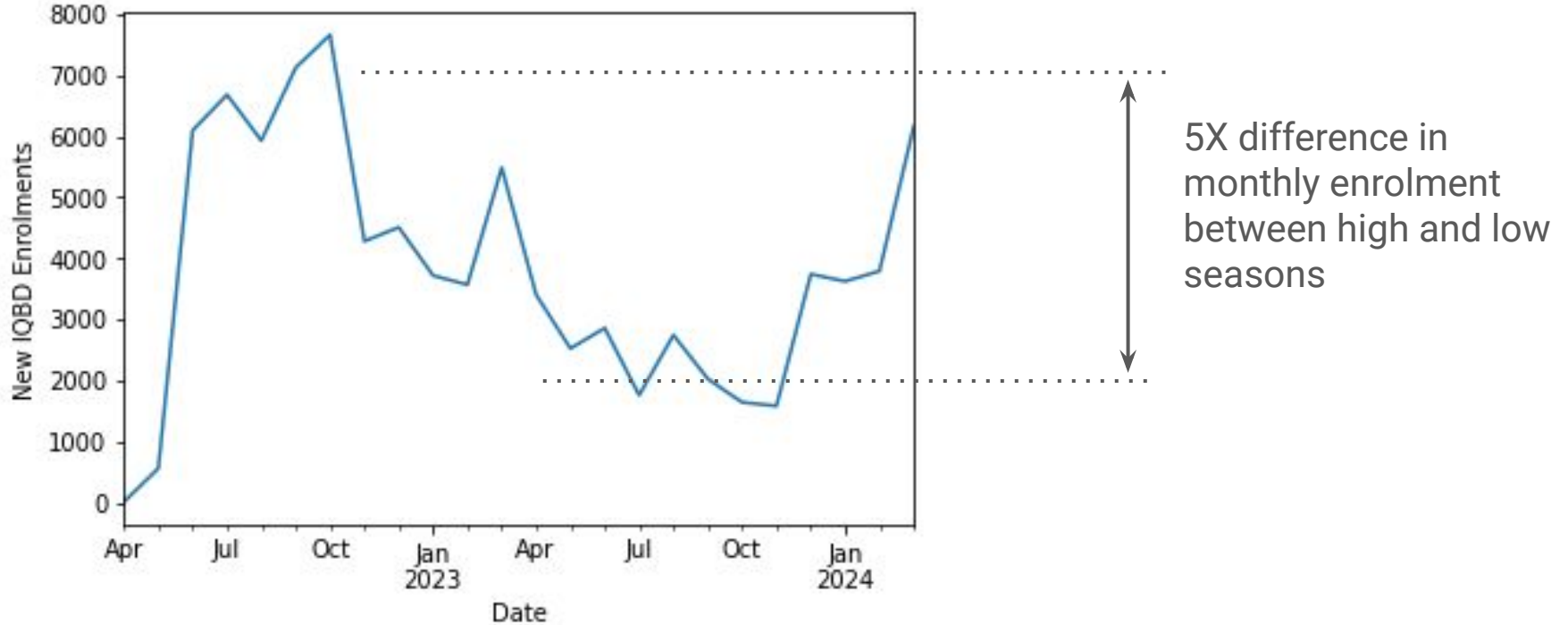
Recommendations:

Awareness of programs: Ensure that all late payment and disconnect notifications include information about IQBD, payment plans and payment extensions. Enhance communication about IQBD to customers at risk of disconnection.

Arrearage relief for program participants: Assess the feasibility and benefit vs. cost of a capped budget arrearage relief program. For simplicity, the program could be made available to IQBD participants with arrears and apply the customer's bill discount percent retroactively for arrears up to a limit (e.g. X% discount on first \$1,000 of arrears).

Pilot estimate: \$1M arrearage relief fund can likely serve 3,000-4,000 IQBD arrears customers.

Program Demand Cycle



Managing the Demand Cycle

Challenge:

Varying demand can strain program staff, overload customer service advisors and delay application processing.

Recommendations:

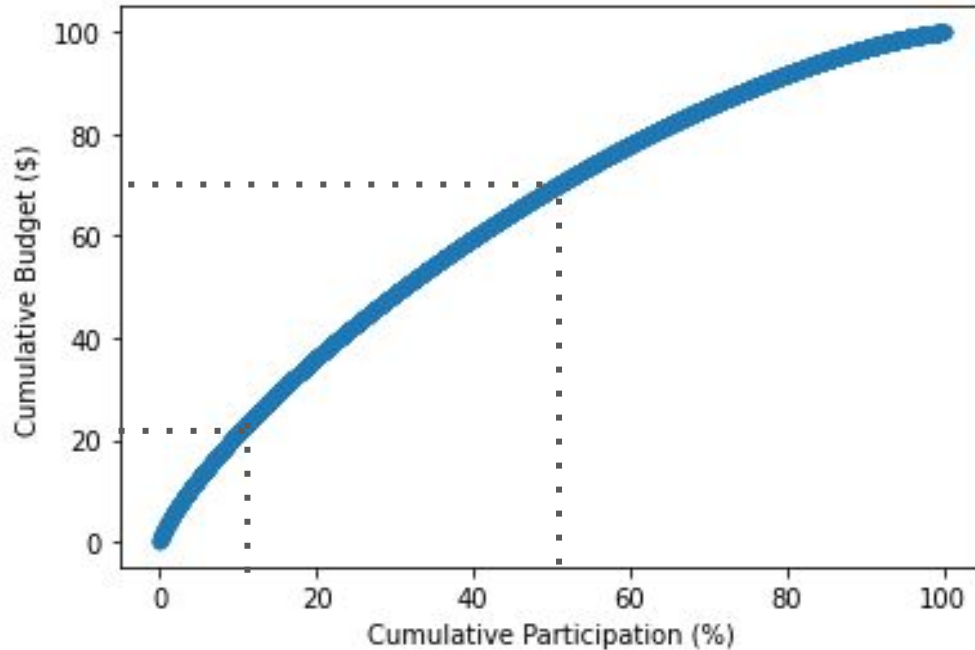
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Communication timing: Biggest marketing pushes should be in September/October **before** high bill season. Include communication about projected winter bills including rate increases and energy efficiency tips to encourage customers to apply early.

Rate increase timing: Consider delaying annual rate increases to April of each year instead of January 1st to avoid bill shock from cold weather + rate increases.

Energy Efficiency

Program utilization



Within each income/discount tier:

Top 10% of participants by energy use utilize 21-22% of budget. Their average energy use is more than 2x the overall average energy use.

Top 50% of participants by energy use utilize 69-70% of budget. Their average energy use is 40% more than the overall average energy use.

Top 5 users will receive \$6,000-\$12,000 in discounts in 2024

Energy Efficiency Potential

Challenge:

High energy users overutilize program funds while the root cause of their high energy burden remains unaddressed. There are 47,000 low-income customers who would potentially be good candidates for energy efficiency measures, but existing low-income EE programs serve relatively few households.

Recommendations:

First step towards integrating energy efficiency with IQBD is to identify and understand the high use participants.

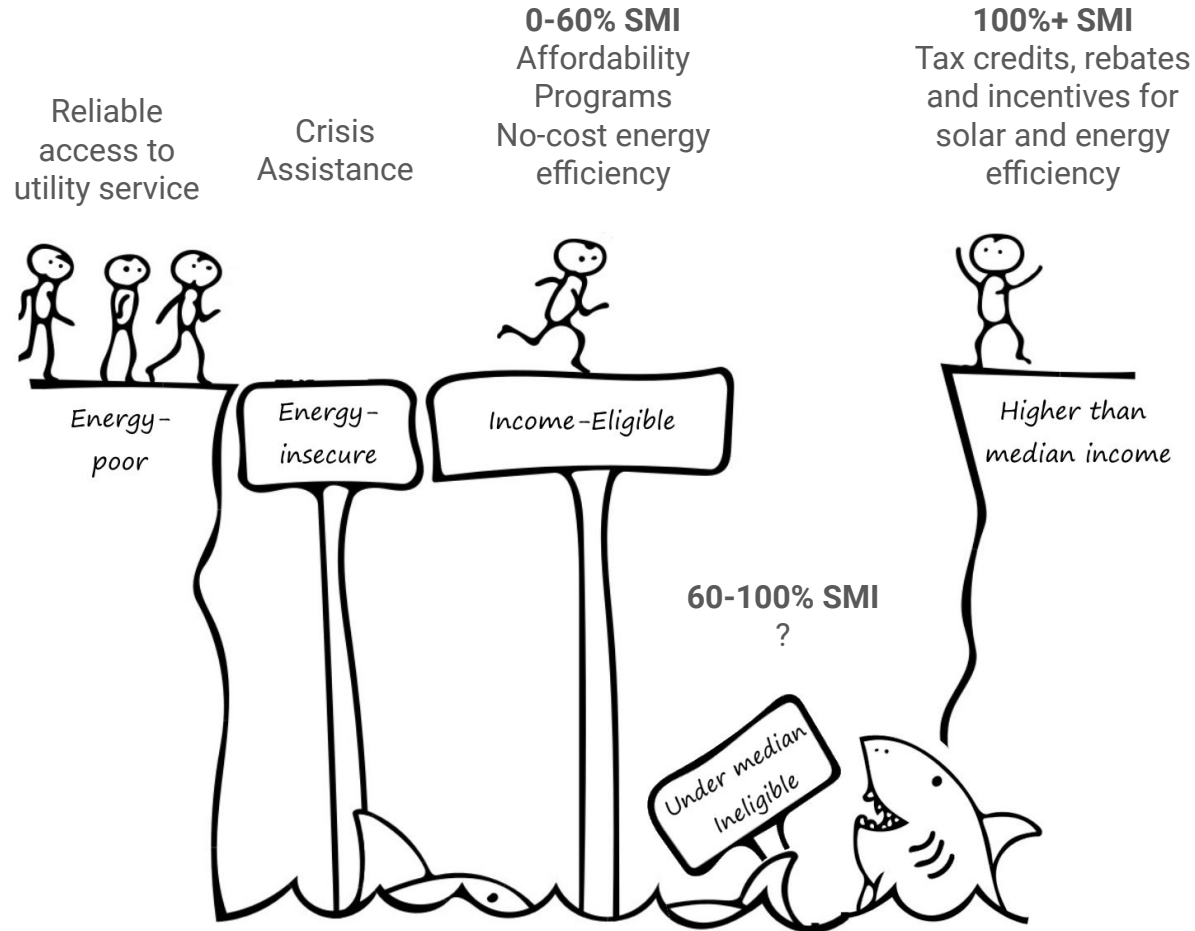
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Coordination with energy efficiency providers: Work with ETO and CAP agencies to target EE funds at low-income, high burden households.

The Energy Assistance Hole

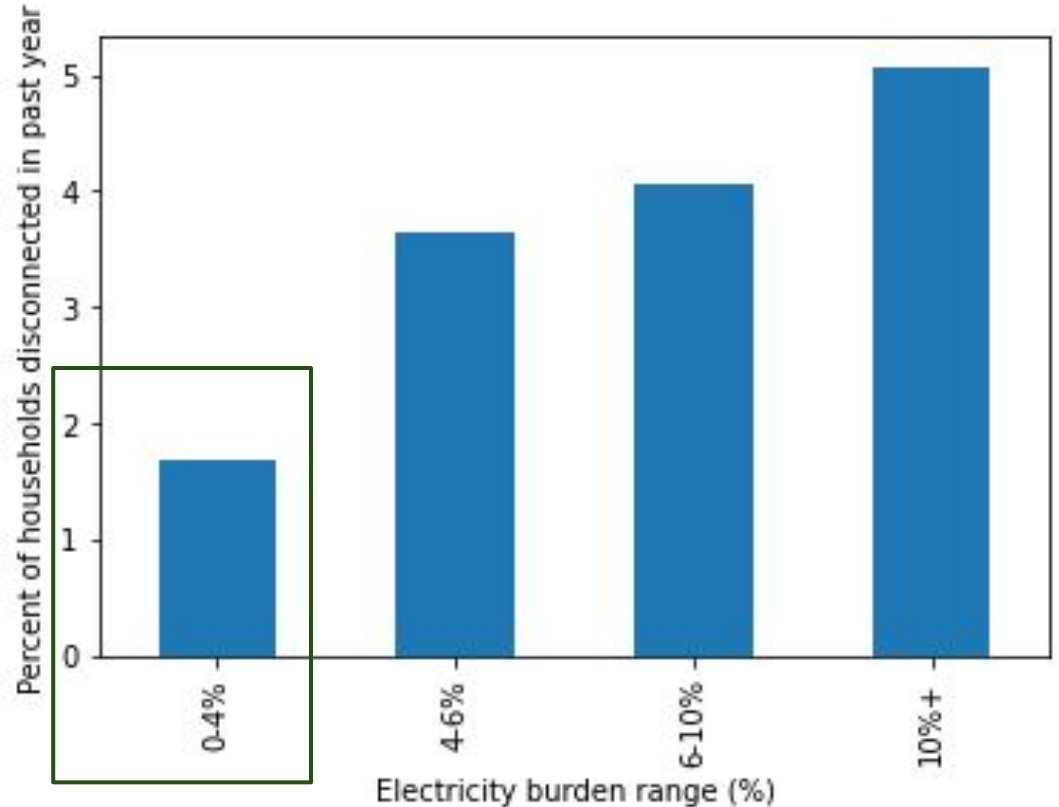
The Energy Assistance Hole



The Energy Assistance Hole

~22k non-low-income households with a high energy burden

~9k non-low-income households at risk of disconnection despite having a low energy burden



Addressing high-burden, program-ineligible households

Challenge:

There are households that are not eligible for existing programs but need assistance.

This includes households that:

- Are under the state median income, have a high energy burden, but are ineligible for assistance (~22,000 households)
- Constrain their energy use due to lack of affordability and lack of program access
- Are **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed
- Earn above the program income thresholds but under the Self Sufficiency Standard Income

Recommendations:

Difficult to solve through PGE because most customers in this category would benefit most from energy efficiency.

- Option 1: Energy assistance path: Allocate a budget for customers in an additional income tier (60-100% SMI) - perhaps a fixed one-time grant - equivalent to one average winter bill (\$150-200)
- Option 2: Work with Oregon Energy Fund on expanding eligibility for their program and increase annual donation
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- Most recommendations in this assessment are auxiliary components that can be added to PGE's energy assistance portfolio to better improve bill affordability:
 - **Enrollment:** How to keep up the momentum of program enrollment as the IQBD program matures
 - **Arrearages:** How to best serve customers at risk of disconnection
 - **Energy Efficiency:** How can we leverage energy efficiency for sustained energy burden reduction
 - **Energy assistance hole:** How to best serve customers who have unaffordable bills but are ineligible for assistance programs
 - **Other:** How do we design more equitable rates, smooth the impact of rate increases, modulate the ups and downs of our programs and target assistance at customers who need it the most

August 30, 2024

To: Ryan Tran
Oregon Citizens' Utility Board

From: Jaki Ferchland
Senior Manager, Revenue Requirement

Portland General Electric Company
UE 435
PGE Response to CUB Data Request 126
Dated August 23, 2024

Request:

Per PGE's most recent RO 12 Disconnection Reporting, filed on 8/20/2024 for May, June and July 2024, there is an uptick in IQBD/low-income customer households who PGE disconnected for nonpayment.

- a) How many of these disconnected IQBD/low-income flagged households were also households who were flagged for either Post Enrollment Verification (PEV) or Re- Enrollment beginning in April and May, respectively. Please include any IQBD customers in a single household who were flagged for both PEV and re-enrollment.
- b) How many of these households were re-enrolled following disconnection? And how long after their removal from the program were they re-enrolled?
- c) Please share each of these customers on a timeline that showcases when they received their various PEV Notices, when they were removed from IQBD, when they were disconnected, when they were reconnected, and if they were re-enrolled into the IQBD program.
- d) Please share each of these customers on a timeline that showcases when they received their various Re-Enrollment Notices, when they were removed from IQBD, when they were disconnected, when they were reconnected, and if they were re-enrolled.
- e) Where applicable, please also include each customer's arrearage balance and which tier of IQBD the customer was enrolled in prior to the customer's removal from IQBD and which IQBD tier the customer was re-enrolled in, if they were re-enrolled.

Response:

PGE objects that this request concerns a separate proceeding and does not purport to relate to this general rate case and is not reasonably calculated to lead to the discovery of admissible evidence in this proceeding. To the extent that CUB has questions concerning Docket RO 12, PGE continues to support engagement through the ongoing dialogue and workshops connected with that proceeding. Without waiving this objection, PGE responds as follows:

PGE offers two clarifications to CUB’s statement. First, RO 12 data does not report disconnections for IQBD households. Second, PGE has become aware of a data reporting error affecting data on energy assistance recipients reported in PGE’s previous three quarterly RO 12 filing (affecting RO 12 ‘D’ and ‘F’ values). PGE is working to file corrected reports. However, the immediate implication pertinent to this request is that to the extent there has been an uptick in low income disconnects (specifically energy assistance recipients), that has been a longer-term trend consistent with overall disconnection levels, that peaked in May 2024 before trending downward.

a) PGE does not report on disconnection rates for IQBD participants or other low-income indicators aside from energy assistance recipients. The table below refers to the energy assistance recipients reported as data point ‘D’ in RO 12.

	202405	202406	202407	Total
a. Number of service disconnections for non-payment on energy assistance recipient accounts (RO 12 Reported Data Point "D")	531	409	390	1,330
b. Accounts that are IQBD participants (subset of ‘a’)	505	386	368	1,259
c. Accounts that were selected for 2024 IQBD post-enrollment verification (subset of ‘a’)	0	0	0	0
d. Accounts that were flagged for IQBD Expiration/Re-enrollment beginning in April and May 2024 (subset of ‘a’) recipient accounts	197	145	144	486

b) PGE does not remove a customer from the IQBD program if disconnected. If disconnected, the customer’s discount will resume once reconnected.

c) None of the disconnected energy assistance recipient accounts listed in part (a) were selected for PEV.

d) PGE objects to this request on the basis that it is unduly burdensome and requires significant new work and on the basis that the information it seeks is not relevant or reasonably calculated to lead to the discovery of admissible evidence in the current proceeding. Timing of reenrollment notices is described in PGE’s response to CUB Data Request 130. Per PGE’s response to part (b), disconnected customers are not removed from IQBD.

e) PGE objects to this request on the basis that it is unduly burdensome and requires significant new work and on the basis that the information it seeks is not relevant or reasonably calculated to lead to the discovery of admissible evidence in the current proceeding. Per PGE’s response to part (b), disconnected customers are not removed from IQBD.



e-FILING REPORT COVER SHEET

COMPANY NAME: Portland General Electric Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes If yes, submit a redacted public version (or a cover letter) by email. Submit the confidential information as directed in OAR 860-001-0070 or the terms of an applicable protective order.

Select report type: RE (Electric) RG (Gas) RW (Water) RT (Telecommunications)
 RO (Other, for example, industry safety information)

Did you previously file a similar report? No Yes, report docket number: RO 12

Report is required by: OAR 860-021-0408(2)

Statute

Order

Note: A one-time submission required by an order is a compliance filing and not a report (file compliance in the applicable docket)

Other

(For example, federal regulations, or requested by Staff)

Is this report associated with a specific docket/case? No Yes, docket number:

List Key Words for this report. We use these to improve search results.

PGE Division 21 Service Disconnection Quarterly Report

Send the completed Cover Sheet and the Report in an email addressed to PUC.FilingCenter@state.or.us

Send confidential information, voluminous reports, or energy utility Results of Operations Reports to PUC Filing Center, PO Box 1088, Salem, OR 97308-1088 or by delivery service to 201 High Street SE Suite 100, Salem, OR 97301.

Print

Start	End	Data Point	Reporting Requirements from Docket AR602	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24
2023-05	2023-07	D - Updated	Number of service disconnections for non-payment on energy assistance recipient accounts	244	505	22									
2023-05	2023-07	D - Filed 8/21/23	Number of service disconnections for non-payment on energy assistance recipient accounts	219	451	22									
2023-05	2023-07	F - Updated	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"	5	5	0									
2023-05	2023-07	F - Filed 8/21/23	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"	2	3	0									
2023-08	2023-10	D - Updated	Number of service disconnections for non-payment on energy assistance recipient accounts				385	285	383						
2023-08	2023-10	D - Filed 11/20/23	Number of service disconnections for non-payment on energy assistance recipient accounts				334	211	301						
2023-08	2023-10	F - Updated	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"				6	5	9						
2023-08	2023-10	F - Filed 11/20/23	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"				0	2	2						
2023-11	2024-01	D - Updated	Number of service disconnections for non-payment on energy assistance recipient accounts							225	159	82			
2023-11	2024-01	D - Filed 2/20/24	Number of service disconnections for non-payment on energy assistance recipient accounts							144	85	39			
2024-02	2024-04	D - Updated	Number of service disconnections for non-payment on energy assistance recipient accounts										291	343	523
2024-02	2024-04	D - Filed 5/20/24	Number of service disconnections for non-payment on energy assistance recipient accounts										75	73	42
2024-02	2024-04	F - Updated	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"										2	0	5
2024-02	2024-04	F - Filed 5/20/24	Number of service disconnections reported under data points D and E (D intersect E), where E = "Number of service disconnections for non-payment on medical certificate holder accounts"										1	1	0

Data Point D - Number of service disconnections for non-payment on energy assistance recipient accounts.

Start	End	ZIPCODE	Month 1	Month 2	Month 3
2024-02	2024-04	97002	1	1	0
2024-02	2024-04	97003	12	10	14
2024-02	2024-04	97004	1	1	0
2024-02	2024-04	97005	7	7	20
2024-02	2024-04	97006	17	5	22
2024-02	2024-04	97007	6	7	8
2024-02	2024-04	97008	7	8	14
2024-02	2024-04	97013	0	0	1
2024-02	2024-04	97015	1	4	11
2024-02	2024-04	97020	0	1	1
2024-02	2024-04	97023	0	0	2
2024-02	2024-04	97024	4	6	7
2024-02	2024-04	97027	0	3	2
2024-02	2024-04	97030	7	8	10
2024-02	2024-04	97032	0	0	1
2024-02	2024-04	97034	0	1	0
2024-02	2024-04	97035	0	0	2
2024-02	2024-04	97038	3	2	3
2024-02	2024-04	97045	4	5	5
2024-02	2024-04	97049	0	1	0
2024-02	2024-04	97055	0	1	4
2024-02	2024-04	97060	1	7	4
2024-02	2024-04	97062	6	2	8
2024-02	2024-04	97067	0	1	0
2024-02	2024-04	97068	0	0	3
2024-02	2024-04	97070	3	1	3
2024-02	2024-04	97071	4	2	4
2024-02	2024-04	97078	5	12	9
2024-02	2024-04	97080	7	3	12
2024-02	2024-04	97086	1	7	4
2024-02	2024-04	97101	0	1	0
2024-02	2024-04	97111	0	0	1
2024-02	2024-04	97113	1	2	4
2024-02	2024-04	97114	0	0	1
2024-02	2024-04	97119	0	0	5
2024-02	2024-04	97123	12	8	25
2024-02	2024-04	97124	13	10	27
2024-02	2024-04	97127	0	0	1
2024-02	2024-04	97132	2	0	2
2024-02	2024-04	97133	0	2	0
2024-02	2024-04	97140	1	0	0
2024-02	2024-04	97148	0	1	1
2024-02	2024-04	97201	0	0	4
2024-02	2024-04	97202	1	9	1
2024-02	2024-04	97203	4	5	6

2024-02	2024-04	97205	0	1	0
2024-02	2024-04	97206	7	6	9
2024-02	2024-04	97209	2	2	3
2024-02	2024-04	97210	0	0	1
2024-02	2024-04	97213	1	0	1
2024-02	2024-04	97216	2	2	1
2024-02	2024-04	97217	3	0	3
2024-02	2024-04	97219	0	3	6
2024-02	2024-04	97222	7	2	7
2024-02	2024-04	97223	15	11	13
2024-02	2024-04	97224	8	5	9
2024-02	2024-04	97225	1	6	2
2024-02	2024-04	97229	8	10	10
2024-02	2024-04	97230	9	13	33
2024-02	2024-04	97233	5	26	36
2024-02	2024-04	97236	13	7	21
2024-02	2024-04	97239	0	0	1
2024-02	2024-04	97266	7	13	19
2024-02	2024-04	97267	1	4	6
2024-02	2024-04	97301	32	19	27
2024-02	2024-04	97302	4	15	12
2024-02	2024-04	97303	7	8	3
2024-02	2024-04	97304	0	1	0
2024-02	2024-04	97305	17	27	24
2024-02	2024-04	97306	2	5	5
2024-02	2024-04	97317	6	6	10
2024-02	2024-04	97347	2	2	2
2024-02	2024-04	97362	0	0	1
2024-02	2024-04	97378	0	0	1
2024-02	2024-04	97381	0	4	1
2024-02	2024-04	97392	0	1	3
2024-02	2024-04	97396	1	0	1
2023-11	2024-01	97002	1	0	0
2023-11	2024-01	97003	4	4	1
2023-11	2024-01	97005	7	4	3
2023-11	2024-01	97006	9	10	4
2023-11	2024-01	97007	4	5	0
2023-11	2024-01	97008	8	3	3
2023-11	2024-01	97009	0	0	1
2023-11	2024-01	97015	4	1	0
2023-11	2024-01	97023	1	0	0
2023-11	2024-01	97024	3	3	0
2023-11	2024-01	97027	0	0	1
2023-11	2024-01	97030	8	1	0
2023-11	2024-01	97038	2	0	0
2023-11	2024-01	97045	3	2	3
2023-11	2024-01	97055	1	1	0

2023-11	2024-01	97060	0	1	0
2023-11	2024-01	97062	1	1	0
2023-11	2024-01	97070	2	0	3
2023-11	2024-01	97071	1	2	2
2023-11	2024-01	97078	6	4	4
2023-11	2024-01	97080	4	4	1
2023-11	2024-01	97086	4	1	2
2023-11	2024-01	97089	0	1	0
2023-11	2024-01	97113	1	0	0
2023-11	2024-01	97119	1	0	0
2023-11	2024-01	97123	14	1	2
2023-11	2024-01	97124	9	7	2
2023-11	2024-01	97127	1	0	0
2023-11	2024-01	97132	0	1	0
2023-11	2024-01	97133	0	2	0
2023-11	2024-01	97202	2	2	2
2023-11	2024-01	97203	4	3	0
2023-11	2024-01	97206	7	2	1
2023-11	2024-01	97209	1	1	1
2023-11	2024-01	97210	0	1	0
2023-11	2024-01	97213	2	0	0
2023-11	2024-01	97214	0	0	1
2023-11	2024-01	97215	1	0	0
2023-11	2024-01	97216	1	0	0
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2023-11	2024-01	97223	8	10	1
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2023-11	2024-01	97225	3	0	0
2023-11	2024-01	97229	6	0	3
2023-11	2024-01	97230	5	5	3
2023-11	2024-01	97233	13	15	2
2023-11	2024-01	97236	5	10	3
2023-11	2024-01	97266	6	6	3
2023-11	2024-01	97267	2	0	2
2023-11	2024-01	97301	16	15	10
2023-11	2024-01	97302	8	2	1
2023-11	2024-01	97303	1	2	0
2023-11	2024-01	97305	12	4	11
2023-11	2024-01	97306	3	5	0
2023-11	2024-01	97317	4	8	5
2023-11	2024-01	97325	1	1	0
2023-11	2024-01	97381	1	0	0
2023-11	2024-01	97392	1	0	0
2023-08	2023-10	97002	1	0	0
2023-08	2023-10	97003	9	10	11

2023-08	2023-10	97004	1	0	1
2023-08	2023-10	97005	10	13	9
2023-08	2023-10	97006	12	10	5
2023-08	2023-10	97007	8	6	5
2023-08	2023-10	97008	6	11	10
2023-08	2023-10	97009	1	0	0
2023-08	2023-10	97013	0	1	2
2023-08	2023-10	97015	3	1	2
2023-08	2023-10	97020	1	0	0
2023-08	2023-10	97023	1	1	1
2023-08	2023-10	97024	9	4	3
2023-08	2023-10	97026	1	1	0
2023-08	2023-10	97027	1	2	2
2023-08	2023-10	97030	14	12	21
2023-08	2023-10	97032	0	0	1
2023-08	2023-10	97035	0	0	2
2023-08	2023-10	97038	2	1	4
2023-08	2023-10	97042	0	1	0
2023-08	2023-10	97045	9	2	9
2023-08	2023-10	97055	0	2	0
2023-08	2023-10	97060	0	2	4
2023-08	2023-10	97062	4	3	2
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2023-08	2023-10	97071	3	2	7
2023-08	2023-10	97078	5	6	9
2023-08	2023-10	97080	4	6	9
2023-08	2023-10	97086	4	1	2
2023-08	2023-10	97089	0	1	1
2023-08	2023-10	97106	0	0	2
2023-08	2023-10	97113	8	4	3
2023-08	2023-10	97116	0	1	0
2023-08	2023-10	97123	14	9	14
2023-08	2023-10	97124	14	11	10
2023-08	2023-10	97132	1	1	0
2023-08	2023-10	97133	1	0	0
2023-08	2023-10	97140	0	1	1
2023-08	2023-10	97148	0	0	1
2023-08	2023-10	97201	1	0	0
2023-08	2023-10	97202	5	2	3
2023-08	2023-10	97203	12	3	9
2023-08	2023-10	97204	0	0	1
2023-08	2023-10	97206	15	7	2
2023-08	2023-10	97209	5	3	2
2023-08	2023-10	97210	2	0	0
2023-08	2023-10	97213	1	2	0
2023-08	2023-10	97214	2	0	1

2023-08	2023-10	97215	0	0	2
2023-08	2023-10	97216	2	1	1
2023-08	2023-10	97217	3	0	4
2023-08	2023-10	97219	2	6	4
2023-08	2023-10	97221	1	2	0
2023-08	2023-10	97222	2	3	9
2023-08	2023-10	97223	10	13	5
2023-08	2023-10	97224	6	0	3
2023-08	2023-10	97225	3	4	2
2023-08	2023-10	97229	8	7	8
2023-08	2023-10	97230	17	13	6
2023-08	2023-10	97231	1	0	0
2023-08	2023-10	97232	0	0	1
2023-08	2023-10	97233	27	11	31
2023-08	2023-10	97236	19	8	18
2023-08	2023-10	97239	1	0	1
2023-08	2023-10	97266	18	12	13
2023-08	2023-10	97267	2	3	3
2023-08	2023-10	97301	24	22	39
2023-08	2023-10	97302	16	7	12
2023-08	2023-10	97303	3	2	6
2023-08	2023-10	97305	11	15	23
2023-08	2023-10	97306	4	2	6
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2023-08	2023-10	97325	1	0	0
2023-08	2023-10	97347	0	1	0
2023-08	2023-10	97352	0	0	1
2023-08	2023-10	97362	0	1	0
2023-08	2023-10	97378	0	1	1
2023-08	2023-10	97381	0	0	1
2023-08	2023-10	97392	0	1	2
2023-08	2023-10	97396	2	1	0
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2023-05	2023-07	97005	9	20	0
2023-05	2023-07	97006	11	22	0
2023-05	2023-07	97007	5	7	0
2023-05	2023-07	97008	6	13	1
2023-05	2023-07	97015	1	1	0
2023-05	2023-07	97020	1	0	0
2023-05	2023-07	97023	1	2	0
2023-05	2023-07	97024	4	4	0
2023-05	2023-07	97030	6	18	2
2023-05	2023-07	97035	1	0	0
2023-05	2023-07	97038	1	1	0
2023-05	2023-07	97045	3	3	0

2023-05	2023-07	97049	0	2	0
2023-05	2023-07	97055	3	0	0
2023-05	2023-07	97060	7	1	0
2023-05	2023-07	97062	3	10	0
2023-05	2023-07	97067	1	1	0
2023-05	2023-07	97068	0	1	0
2023-05	2023-07	97070	2	2	0
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2023-05	2023-07	97089	1	1	0
2023-05	2023-07	97106	1	1	0
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2023-05	2023-07	97119	1	1	0
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2023-05	2023-07	97124	4	15	1
2023-05	2023-07	97127	1	0	0
2023-05	2023-07	97132	1	0	0
2023-05	2023-07	97140	0	3	0
2023-05	2023-07	97201	1	1	0
2023-05	2023-07	97202	0	8	0
2023-05	2023-07	97203	6	12	0
2023-05	2023-07	97204	0	1	0
2023-05	2023-07	97206	4	11	1
2023-05	2023-07	97209	2	2	0
2023-05	2023-07	97213	0	1	0
2023-05	2023-07	97214	0	1	0
2023-05	2023-07	97215	0	1	0
2023-05	2023-07	97216	2	1	0
2023-05	2023-07	97217	3	4	0
2023-05	2023-07	97219	7	5	2
2023-05	2023-07	97222	1	3	0
2023-05	2023-07	97223	8	23	0
2023-05	2023-07	97224	5	13	1
2023-05	2023-07	97225	2	5	0
2023-05	2023-07	97229	4	12	0
2023-05	2023-07	97230	7	23	0
2023-05	2023-07	97233	25	40	2
2023-05	2023-07	97236	8	12	1
2023-05	2023-07	97239	0	2	0
2023-05	2023-07	97266	7	16	1
2023-05	2023-07	97267	0	1	0
2023-05	2023-07	97301	19	34	1
2023-05	2023-07	97302	5	19	1
2023-05	2023-07	97303	1	5	0

2023-05	2023-07	97304	1	0	0
2023-05	2023-07	97305	5	22	0
2023-05	2023-07	97306	6	7	0
2023-05	2023-07	97317	8	12	0
2023-05	2023-07	97347	1	1	1
2023-05	2023-07	97362	0	2	1
2023-05	2023-07	97378	0	2	0
2023-05	2023-07	97381	1	1	0
2023-05	2023-07	97392	1	0	0

Data Point F - Number of service disconnections reported under data points D (Number of service disconnections for non-payment on energy assistance recipient accounts.) and E (Number of service disconnections for non-payment on medical certificate holder accounts.)

Start	End	ZipCode	Month 1	Month 2	Month 3
2023-05	2023-07	97005		1	
2023-05	2023-07	97006		2	
2023-05	2023-07	97060	1		
2023-05	2023-07	97067	1		
2023-05	2023-07	97123	1		
2023-05	2023-07	97203	1		
2023-05	2023-07	97301		2	
2023-05	2023-07	97317	1		
2023-08	2023-10	97006	1		
2023-08	2023-10	97007	1		
2023-08	2023-10	97030		1	2
2023-08	2023-10	97038			1
2023-08	2023-10	97060		1	
2023-08	2023-10	97078			1
2023-08	2023-10	97080		1	
2023-08	2023-10	97124			1
2023-08	2023-10	97206			2
2023-08	2023-10	97216		1	
2023-08	2023-10	97229			1
2023-08	2023-10	97233	1		
2023-08	2023-10	97236		1	
2023-08	2023-10	97266			1
2023-08	2023-10	97301	2		
2023-08	2023-10	97396	1		
2023-11	2024-01	97405		1	
2024-02	2024-04	97015			1
2024-02	2024-04	97080	1		
2024-02	2024-04	97219			1
2024-02	2024-04	97224			1
2024-02	2024-04	97236			1
2024-02	2024-04	97266			1
2024-02	2024-04	97301			1
2024-02	2024-04	97306	1		



Portland General Electric
121 SW Salmon Street • Portland, OR 97204
portlandgeneral.com

August 30, 2024

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street, S.E.
P.O. Box 1088
Salem, OR 97308-1088

RE: RO 12 PGE Division 21 Service Disconnection Quarterly Report Update

Pursuant to OAR 860-021-0408(2), Portland General Electric Company (PGE) hereby submits an updated report on Service Disconnections with corrected data for Data Points D & F. PGE discovered under-reporting beginning in May 2023 and ending in April 2024 while preparing the August 20, 2024, quarterly report.

Attachment A provides the updated information in a summary for Data Points D & F by zip code, prescribed by OAR 860-021-0408(3)(b), for the reporting period.

Should you have any questions or comments regarding this filing, please contact Mary Widman at mary.widman@pqn.com. Please direct all formal correspondence and requests to the following email address pge.opuc.filings@pqn.com

Sincerely,

\s\ Robert Macfarlane

Robert Macfarlane
Manager, Pricing & Tariffs

Enclosure

RO 12 PGE 2024 Division 21 Service Disconnection Quarterly Report Update

Attachment A

July 10, 2024

To: Bryan Conway
Public Utility Commission of Oregon

From: Jaki Ferchland
Senior Manager, Revenue Requirement

Portland General Electric Company
UE 435
PGE Response to OPUC Data Request 642
Dated June 26, 2024

Request:

Have any customers who are currently, or were at any time enrolled in the IQBD program, been disconnected? If yes, how many (total) from IQBD effective date to now?

Response:

Yes. Of the 103,500 unique PGE accounts ever enrolled in IQBD since program inception in April 2022, 17,114 accounts have been disconnected between then and June 30, 2024.

August 30, 2024

To: Ryan Tran
Oregon Citizens' Utility Board

From: Jaki Ferchland
Senior Manager, Revenue Requirement

Portland General Electric Company
UE 435
PGE Response to CUB Data Request 132
Dated August 23, 2024

Request:

Please outline the timeline of PGE's Post-Enrollment Verification (PEV) process, which began in May 2024. Please include:

- a) When and how customers were alerted;
- b) How much time customers had to respond to the verification prompts from PGE;
- c) How many alerts customers received and at what points in time;
- d) Examples of customer communications;
- e) Example of what forms a customer had to fill out and provide to prove income;
- f) How and when does PGE plan to assess the impacts and effectiveness of this process;
- g) What is the goal of this process and what are the benefits to IQBD customers and the residential class as a whole?

Response:

- a. Customers were notified three times, via various touch points such as letter or email and phone call, as further discussed in part (c) below.
- b. Customers were given ninety days to respond.
- c. PGE sent an initial letter or email to the selected IQBD participants on May 24, 2024, asking them to provide Oregon Energy Fund income verification documentation within thirty days. PGE sent a second letter or email on July 18, 2024, asking those who had not already responded to provide Oregon Energy Fund income documentation within seven days. Throughout the month of August 2024, Oregon Energy Fund made follow-up phone calls to those who had not already responded to PGE's two communications.
- d. A template for the initial letter is provided in Attachments 132-A. Templates for the second email and letter are provided in Attachment 132-B and 132-C respectively.
- e. A sample customer verification form is provided in Attachment 132-D.

UE 435
PGE's Response to CUB DR 132
August 30, 2024
Page 2

f. PGE's first Post-Enrollment Verification cycle is currently in progress. Results will not be available until process completion, which is expected in September 2024. PGE intends to review findings, assess program effectiveness and consider potential next steps then.

g. PEV is an important tool to maintain the integrity of the program by employing some verification of need and eligibility among participating customers, and it has been an element of the program design since the inception of the program. This program is funded by all PGE customers, and PGE has a responsibility to review its effectiveness.