



July 26, 2016

Public Utility Commission of Oregon
Attn: Lisa Gorsuch
201 High St., SE
P.O Box 1088
Salem, OR 97308-1088

Re: Joint Consumer-Owned Utility Comments on OPUC Docket 1748, Access to Natural Gas Infrastructure in Underserved Areas

Oregon's Consumer-Owned Utilities (COUs) appreciate the opportunity to comment on the OPUC draft report to the 2016 Legislature on SB 32, Access to Natural Gas Infrastructure in Underserved Areas. Our comments are focused on the mechanism for funding the expansion of natural gas service.

The draft report concludes that large amounts of funding will be necessary to cover the cost of gas service extension to underserved areas. (Draft Report, Page 18.) In a cost versus benefits analysis, Oregon's COUs do not support using Oregon General Fund dollars to provide gas service in COU territories. Oregon's COUs already deliver safe, reliable, and affordable carbon-free electricity to our customers. Oregon COU's obtain the majority of their power from the Bonneville Power Administration (BPA). We follow a regional electric power plan to guarantee adequate and reliable energy at the lowest economic and environmental cost to the Northwest. COU customers are already benefitting from at-cost power that is largely carbon-free. Spending state taxpayer dollars to extend natural gas services to areas served by consumer-owned utilities would do little, if anything, to reduce carbon emissions in our electric system or reduce global CO2 levels. In fact, extending natural gas services to these areas likely would increase CO2 emissions as customers switch from largely carbon-free electricity to natural gas.

We do not support using taxpayer or lottery revenue to fund natural gas service expansion. We have a fundamental objection to using taxpayer dollars to subsidize a private for-profit company when the customers are already being well-served by a non-profit utility providing at-cost, clean, renewable power.

We appreciate being part of this process. Thank you for the opportunity to comment.

Ted Case, ORECA

Beth Vargas-Duncan, OMEU

Danelle Romain, OPUDA

Jason Heuser, EWEB