



March 7, 2024

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
201 High Street SE, Suite 100
Salem, OR 97301-3398

Re: UM 2211—PacifiCorp’s Responses to Staff’s Questionnaire

On February 13, 2024, Staff issued its Phase 2 Process Proposal for the implementation of the Energy Affordability Act (HB 2475) within docket UM 2211. In its Phase 2 Process Proposal, Staff solicited feedback through a questionnaire intended to capture initial stakeholder perspectives on issues and priorities. PacifiCorp d/b/a Pacific Power (PacifiCorp or the Company), appreciates the opportunity to provide these comments in response to that solicitation.

Equity Landscape: Project planning framework

1. What do you see are the most important or urgent equity issues in the provision of energy to utility customers?

Energy burden and community health and wellbeing are the most urgent equity issues; rising costs, climate adaptation needs, and balancing providing reliable, safe, and affordable energy for all customers while fulfilling state policy objectives can exasperate the cost burden.

Guidance from our Stakeholder Input: Meeting 5

https://www.pacificorp.com/content/dam/pcorp/documents/en/pacificorp/energy/cbiag/CBIAG_Meeting_5_Public_Notes.pdf

UCAN’s Shaun Pritchard described and contextualized the local struggles in Douglas and Josephine Counties, which include:

- The poverty rate is typically 5% higher than in the state of Oregon average
- The poverty rate for children is about 25% above the Oregon average

The mission of the organization addresses not only how consistent access to energy improves health and wellbeing, but also how the lack thereof degrades health and wellbeing.

Household energy is vital to maintaining good health. Access to energy can be limited through aging infrastructure, affordability challenges, and service disruptions due to

natural or manmade disasters. Studies have shown that limited access to energy in homes has been linked to cancer, cardiovascular conditions, arthritis, pulmonary and respiratory illness, mental health concerns, and mortality. Indirect impacts include food insecurity, job loss, educational obstacles, and other economic hardships. Energy security allows families to thrive. Society today is heavily dependent on both reliable and affordable energy.

UCAN's Shaun Pritchard emphasized that new clean energies may not be any more accessible unless inequities are recognized and corrected.

AllCare Health – Spoke about what it means to live in a constant state of crisis and the factors that feed into stabilizing community members, such as housing, access to resources, and similar factors.

Multnomah County - What came to mind is not having to carry the stress of wondering where the next dollar is going to come from and if it will be spent to be able to pay a bill or provide food for the family. Living with the constant concerns of this insecurity results in the inability to be present and engage with family and loved ones. Tackling these issues will make the lives of community members better and put the group on the right track.

2. Which communities are most impacted?

A variety of issues impact all communities. PacifiCorp will be performing an energy burden assessment in 2024, providing a better understanding of the needs of the communities and Tribal Nations it serves.

3. What are the most important or urgent actions to improve equity outcomes?

We intend to inform ourselves by compiling data from the energy burden assessment and input from feedback in our engagement spaces. We seek to adapt programs to be more usable and better serve the community's needs, including growing opportunities for accessibility to improvement actions. And we plan to elevate transparency on issues and items we have information on as we continue to seek pathways to incorporation.

Utility Programs

4. What are the highest-impact and/or most urgent equity issues to address in utility programs and services? Responses can include gaps in existing programs and opportunities to develop new programs.

PacifiCorp is in a discovery period regarding methods of collecting data, what data to collect, and how we use it to inform our decision-making processes. The energy burden assessment may help identify needs and surface opportunities for process, planning, and development improvements.

Initial impressions through stakeholder engagement and program implementation processes include a need for transparency on the issues/items we have information on. And a deeper focus on targeted outreach and accessibility to communities or customers not currently participating in the programs.

5. Are there specific geographic areas or distinct populations that should be prioritized?

Although PacifiCorp’s Community Benefits and Impacts Advisory Group and Tribal Nations engagement participants have identified some populations for prioritization, the company believes its energy burden assessment may identify additional populations and provide a way to quantify and identify prioritization.

See: [CBIAG Meeting October 2023 Slides.pdf \(pacificorp.com\)](#) for populations identified by the CBIAG advisory and group.

6. How can the PUC measure progress in addressing equity issues in utility programs and services? Please feel free to suggest specific metrics.

PacifiCorp would appreciate a clear set of structured and meaningful data architected with the Energy Trust of Oregon and utilities, including agreed-upon metrics and analytics processes.

The Company also expects to use community benefit indicators to expand through the stakeholder’s engagement process, which should tie to specific actions to monitor progress—based on Table 3 (PacifiCorp’s Interim Community Benefit Indicators and Metrics) of the Clean Energy Plan.

7. Staff plans to organize informational sessions on the landscape of programmatic offerings for utility customers. Please provide any priority information within these topics, any additional topics for the series, and suggestions for expert presenters:

Info Session	Proposed Topics
1	Orientation, state agency landscape, and review initial survey result
2	Energy efficiency and weatherization
3	Distributed energy resources (DER) programs, resiliency
4	Comparative analysis of equitable rate designs and rate mitigation programs
5	Consumer protection programs
6	Technical assistance, resource hubs, workforce development and other emerging national opportunities

PacifiCorp recommends adding a session to discuss connecting equity outcomes to portfolios in the integrated resource plans. PacifiCorp also suggests Staff consider inviting a broad range of experts to present, including individuals who work within the energy industry, for an equitable discussion of the proposed topics. The Company would need to have a better understanding of the specific issues to be discussed in each session to identify possible presenters.

Differential Rates

- 8. What degree of consistency is expected across the utilities? To explain, do we need to develop a standard rate design for all utilities or are there only certain elements that need to be standardized?**

PacifiCorp does not have a particular position on this at this time but will review the results of its energy burden assessment and consider stakeholder feedback in the docket. PacifiCorp does note though that different utilities have unique characteristics and service areas, a “one-size-fits-all” approach may not be in the public interest. PacifiCorp has an open mind on this question and is interested to hear what others think.

- 9. Are there customer characteristics that should be prioritized for consideration at this phase (e.g. income, energy burden, disconnections and other economic, social equity or environmental justice factors that affect affordability)?**
- a. What data sources can be used to support priority population identification?**
 - b. What considerations should be made relative to data privacy and equitable data practices?**

PacifiCorp is actively reviewing equity information from various sources but does not have a recommendation to provide at this time.

- 10. Are there rate structures that should be prioritized for consideration in this phase of implementation? Why or why not? For example: creating separate rate class, percentage rate discounts, percentage of income plans, kWh allotments, restructured or eliminated basic charge, other or combination (an external resource with information on a few of these ratemaking tools can be found here: https://www.iepec.org/conf-docs/papers/2007PapersTOC/papers/79_1081_ab_596.pdf)**

- a. What criteria should be used to evaluate the pros and cons of different ratemaking approaches?**

PacifiCorp believes percentage rate discounts are a good way to target energy burden but is open to other concepts provided they don't create customer confusion or are infeasible to implement.

11. How should the costs of differential rates be recovered?

- a. **What are the most important considerations in the way that the costs are spread across different customers?**
- b. **Are there cost recovery practices that will help utilities offer more equitable rates in a cost-efficient manner?**

PacifiCorp believes the costs of differential rates should be equitably recovered from all customers in the state.

12. How can the PUC measure progress in addressing energy burden through differential rates?

The pending energy burden assessments will help measure progress.

Other Suggestions

13. Do you feel you and/or your organization have sufficient capacity to engage in the proposed process?

PacifiCorp's subject matter experts are committed to engaging in the proposed process.

14. Do you have any additional input for the next phase of HB 2475 implementation?

PacifiCorp cautions moving forward with certain program changes without first fully evaluating the energy burden assessment and other data metrics.

PacifiCorp appreciates the opportunity to provide feedback on Staff's questionnaire and looks forward to continued engagement with the Commission, Staff, and stakeholders in Phase 2 of this proceeding.

Sincerely,



Matthew McVee
Vice President, Regulatory Policy and Operations