

PUBLIC UTILITY COMMISSION OF OREGON
 PUBLIC MEETING REPORT
 PUBLIC MEETING DATE: May 16, 2023

REGULAR X CONSENT _____ EFFECTIVE DATE _____ N/A _____

DATE: May 12, 2023
TO: Public Utility Commission
FROM: Nolan Moser, Chief Administrative Law Judge **SIGNED**
SUBJECT: UM 2276 – Approval of Groups for Pre-certification Consistent with OAR 860-001-0850

RECOMMENDATION:

The Commission should approve the precertification grant applications filed in UM 2276, subject to the changes and conditions outlined in this memo.

DISCUSSION:

Background

At the February 7, 2023 regular public meeting, the Commission approved an agreement between Rogue Climate; VERDE; the Community Energy Project; Portland General Electric Company (PGE); PacifiCorp, dba Pacific Power; Northwest Natural Gas Company, dba NW Natural; Idaho Power Company; Avista Corporation, dba Avista Utilities; and Cascade Natural Gas Corporation to provide for funding for environmental justice and low-income organizations consistent with House Bill 2475 (HB 2475) (2021). This agreement is referred to as the “Justice Funding Agreement.”

On February 14, 2023, this docket was opened. The next day, I filed a letter in this docket, and the letter was distributed to the Public Utility Commission’s broad notification lists. The letter described Justice Funding in general and specifically invited groups to submit pre-certification grant proposals consistent with the Justice Funding Agreement for consideration by the Commission. The letter requested that proposals be submitted in this docket by April 3, 2023. Subsequent rulings changed the schedule in this docket, allowing supplements to proposals to be submitted up to April 21, 2023.

At the April 18, 2023 Regular Public Meeting, the Commission adopted the Administrative Hearing’s Division (AHD)’s recommendations for permanent rules

implementing this agreement. The agreement and rules provide for two types of funding for eligible recipients.

The first type is case funding, which is requested on a docket-by-docket basis. This means that a group may ask for funding as they start to participate in a specific docket. Up to 50 percent of this funding is available up-front.

The second is pre-certification grant funding and is the subject of this recommendation. This is a broader type of funding and is available to groups to participate in a variety of dockets. Effectively, this funding can operate as a multisubject grant for activity at the Commission, and groups can request that all this funding be provided up front. Groups request this type of funding one time per year, with the Commission approving funding for up to five pre-certification grant requests per year.

Applications Received and Overall Recommendation

We received 5 applications from the following groups: Community Energy Project, Rogue Climate, the Coalition of Communities of Color (CCC), the Oregon Just Transition Alliance (OJTA), and Verde. PGE provided written comment, and on May 2, 2023, AHD issued questions and provided observations on the applications. Replies by Community Energy, Rogue Climate, OJTA and CCC were filed on May 9, 2023.

I recommend approval of all five applications by the Commission, subject to one change to Rogue Climate's proposal and limited conditions on OJTA's proposal. As discussed below, the requests exceed the amounts available in one utility account, that of PacifiCorp. We propose to address this issue by recommending that the Commission invite and pre-approve an application for case funding the UM 2273 docket and successor dockets for Rogue Climate, which intends to participate in those matters.

Amount of Overall Funding Available

Pre-certification funding is available for activity in dockets affecting and for groups representing communities in the PGE, PacifiCorp, and NW Natural service territories. There is \$85,000 available annually for each of these three utilities from the precertification fund, for a total of \$255,000. For 2023, there are additional funds available because some funding from 2022 was not spent – utilities have agreed to permit these funds to directly roll-over. With the remaining funds from 2022, the following amounts are available for pre-certification grants in 2023:

- PGE: \$154,861.04
- PacifiCorp: \$142,802.81
- Northwest Natural: \$151,290.51

Below is a table of the requests received by the five applicants, and the funds remaining in each utility fund if all requests were approved.

Group	PGE	PAC	NWN
<i>Community Energy</i>	62,889	21,310	37,168
<i>CCC</i>	25,500	25,500	15,000
<i>OJTA</i>	33,333	33,333	33,334
<i>Rogue Climate</i>		49,275	
<i>VERDE</i>	28,375	28,375	
Total Requested	150,097	157,793	85,502
<i>Available Funds</i>	154,861.04	142,802.81	151,290.51
Difference	4,764.04	-14,990.19	65,788.51

Individual Proposals

1. Community Energy Project

Community Energy proposes activity involving PGE, PacifiCorp, and NW Natural. More specifically, Community Energy plans to be engaged in dockets and issues associated with income qualified discounts and dockets relating to the UM 2211 investigation, NW Natural rate and planning issues, PacifiCorp and PGE planning and rate actions, HB 2021 implementation, and requests funding for participation in docket UM 1158, which examines Energy Trust equity metrics. Community Energy also notes general areas of interest in which it may engage in the future, including issues emerging from

rate and planning cases, decarbonization/electrification, energy affordability, grid equity and equity metrics, disconnections and resilience.

Community Energy amended its proposed budget to reflect the activity it anticipates in PGE's rate case and explained this change in a filing in this docket.

Community Energy proposes the following allocations for its budget of \$121,377¹ between the three utilities:

\$62,899 from PGE's fund
\$21,310 from PacifiCorp's fund and
\$37,168 from NW Natural's fund

Based on the explanation of Community Energy's application as to why Community Energy is eligible for pre-certification funding under the agreement and rules, and the terms of the agreement, which explicitly list Community Energy as an entity eligible for funding, I recommend that the Commission find Community Energy eligible. Community Energy's planned activities are consistent with the agreement and rules. Community Energy's budget is reasonable and consistent with its planned activities. After investigation into Community Energy's proposal, I recommend approval without change.

2. Verde

Verde proposes activity involving PGE and PacifiCorp, but not NW Natural. More specifically, Verde plans to be engaged in dockets and issues associated with income qualified discounts and dockets relating to the UM 2211 investigation, HB 2021 implementation, PGE and PacifiCorp distribution planning issues, PacifiCorp and PGE clean fuels plans and programs, and requests funding for participation in docket UM 1158, which examines Energy Trust equity metrics. Verde also notes general areas of interest in which it may engage in the future, decarbonization/electrification, energy

¹ I note that there is a slight discrepancy in Community Energy's budget – Community Energy lists its overall budget as \$121,386 but adding all the requests results in a total of \$121,377. We recommend approval of the individual requests totaling \$121,377.

affordability, grid equity and equity metrics, community solar and distribution planning, transportation electrification, disconnections, and resilience.

Verde proposes the following allocations for its budget of \$56,750 between the two utilities:

\$28,375 from PGE's fund and
\$28,375 from PacifiCorp's fund

Based on the explanation of Verde's application as to why Verde is eligible for pre-certification funding under the agreement and rules, and the terms of the agreement, which explicitly list Verde as an entity eligible for funding, I recommend that the Commission find Verde eligible. Verde's planned activities are consistent with the agreement and rules. Verde's budget is reasonable and consistent with its planned activities. After investigation into Verde's proposal, I recommend approval without change.

3. Rogue Climate

Rogue Climate proposes activity involving PacifiCorp. Rogue Climate plans to be engaged in dockets and issues associated with income qualified discounts and dockets relating to the UM 2211 investigation, PacifiCorp planning and rate actions and HB 2021 implementation. Rogue Climate also notes general areas of interest in which it may engage in the future, including such issues as decarbonization/electrification, wildfire planning, grid equity and equity metrics, disconnections, and resilience.

Rogue Climate proposed several budget amendments, and ultimately provided a budget that outlined anticipated costs for several dockets. Rogue Climate proposes that all its budget be funded through PacifiCorp's fund, for a total allocation of \$49,275. PGE submitted comments and questions associated with an earlier version of Rogue Climate's budget which have been addressed fully by Rogue Climate's final proposed budget and allocation.

Based on the explanation of Rogue Climate's application as to why Rogue Climate is eligible for pre-certification funding under the agreement and rules, and the terms of the agreement, which explicitly list Rogue Climate as an entity eligible for funding, I recommend that the Commission find Rogue Climate eligible. Rogue Climate's planned activities are consistent with the agreement and rules. Rogue Climate's budget is

reasonable and consistent with its planned activities. After investigation into Rogue Climate's proposal, I recommend approval.

To address the above shortfall in the PacifiCorp fund, I recommend that Rogue Climate be approved for a \$34,284.81 Pre-certification fund grant from PacifiCorp, and that the Commission pre-approve a 50 percent up-front Case Fund grant in the Commission's Clean Energy Plan and successor docket(s), under UM 2273, in which Rogue Climate proposes to participate. This Case Fund grant should be not less than \$14,990.19, but consistent with the agreement and our rules, Rogue Climate is invited to provide a request for additional case funds beyond \$14,990.19.

4. Coalition of Communities of Color

CCC proposes activity involving PGE, PacifiCorp, and NW Natural. More specifically, CCC plans to be engaged in dockets and issues associated with income qualified discounts and dockets relating to the UM 2114 and UM 2211 investigations, NW Natural rate and planning issues, the Distribution System Planning cases, and the future of natural gas. CCC also notes general areas of interest in which it may engage in the future, including such issues as decarbonization/electrification, energy affordability, greenhouse gas emissions, disconnections, and community resilience.

CCC has proposed 3 subgrants of \$10,000 to the following three groups; the Asian Pacific American Network of Oregon, the Latino Network, and the Urban League of Portland. CCC asserts that consistent with agreement and rules, all these groups are independently eligible for grants consistent with the criteria. CCC amended its budget to further clarify these sub-grants.

CCC proposes the following allocations for its budget of \$66,000 between the three utilities:

\$25,500 from PGE's fund
\$25,500 from PacifiCorp's fund and
\$15,000 from NW Natural's fund

Based on the explanation of CCC's application as to why CCC is eligible for pre-certification funding under the agreement and rules, and the terms of the agreement, CCC should be found eligible. I reviewed the mission, communities served, and other information regarding CCC's three proposed subgrants and determine that these groups would be independently eligible. CCC's planned activities are consistent with the agreement and rules. I note that CCC's community meeting budget includes limited costs associated with community meetings which are reasonable in the context of the

overall workplan and overall budget. CCC's total budget is reasonable and consistent with its planned activities. After investigation into CCC's proposal, I recommend approval without change.

5. Oregon Just Transition Alliance

OJTA proposes activity involving PGE, PacifiCorp, and NW Natural. More specifically, OJTA plans to be engaged in dockets and issues associated with income qualified discounts and dockets relating to the UM 2211 investigation, NW Natural rate and planning issues, HB 2021 implementation, electric utility planning cases, distribution system planning, and the future of natural gas. OJTA also notes general areas of interest in which it may engage in the future, including such issues as utility rates and service, resource planning, decarbonization/electrification, energy affordability, grid equity and equity metrics, disconnections, and resilience.

OJTA has proposed 2 subgrants of \$30,000 and \$10,000 to the following two groups; Comunidades – fiscally sponsored by Columbia Riverkeeper, and Oregon Rural Action. OJTA asserts that consistent with agreement and rules, these groups are independently eligible for grants consistent with the criteria. OJTA amended its proposal to further clarify these sub-grants, noting that these plans are not finalized and that proposed recipients might change.

OJTA proposes the following allocations for its budget of \$100,000 between the three utilities²:

\$33,333 from PGE's fund
\$33,333 from PacifiCorp's fund and
\$33,334 from NW Natural's fund

Based on the explanation of OJTA's application as to why OJTA is eligible for pre-certification funding under the agreement and rules, and the terms of the agreement, I recommend that OJTA be found eligible. I reviewed the mission, communities served, and other information regarding OJTA's three proposed subgrants and determine that these groups would be independently eligible on a preliminary basis. Because OJTA has not yet finalized these sub-grant relationships, I request that OJTA provide an update to the Commission regarding these subgrants when relationships are finalized. Should OJTA fail to secure these subgrant relationships, OJTA must file and explain an amended budget consistent with a new workplan. AHD will work with OJTA and verify

² OJTA proposed a roughly third split of its total request.

that OJTA has completed the subgrant relationships consistent with its application and budget.

OJTA's planned activities are consistent with the agreement and rules. I note that OJTA's budget includes limited costs associated with community meetings, which are reasonable in the context of the overall workplan and overall budget. OJTA's total budget is reasonable and consistent with its planned activities. After investigation into OJTA's proposal, I recommend approval subject to the conditions described above.

PROPOSED COMMISSION MOTION:

That the Commission approve all five pre-certification grant requests subject to the change to Rogue Climate's proposal and the conditions on OJTA's proposal outlined in this memo.