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BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UG 490

In the Matter of
NORTHWEST NATURAL GAS
COMPANY,
Request for General Rate Revision.

**CORRECTED TRANSCRIPT
OF
APRIL 16, 2024
PUBLIC COMMENT
HEARING**

BEFORE: ADMINISTRATIVE LAW JUDGE, SARAH SPRUCE

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1 ALJ SPRUCE: I will provide a brief
2 overview of the process in this proceeding, and
3 then the PUC staff will provide a brief
4 presentation on Northwest Natural's request for a
5 general rate increase and Staff's role in the
6 proceeding.

7 This public comment hearing is before the
8 Oregon Public Utility Commission, which serves as
9 the regulatory body overseeing utility service in
10 the state including rates and requests for rate
11 changes, such as that requested by Northwest
12 Natural in this proceeding.

13 Today's public comment hearing is one step
14 of many in these proceedings. After today's
15 hearing, we will prepare a transcript of the
16 comments received, and Commission Staff will file
17 them with their opening testimony in this
18 proceeding along with any other comments
19 received.

20 All comments will be considered by the
21 Commission, along with other evidence provided by
22 Northwest Natural, Commission Staff and
23 interveners.

24 In deciding whether and to what extent to
25 grant Northwest Natural's request, in making its

1 decision, the Commission will balance the
2 interests of utility customers and the utility
3 itself. The Commission could decide to grant the
4 request in full or with changes or deny the
5 request.

6 In addition to today's public comment
7 hearing, the Commission has scheduled an
8 evidentiary hearing for July 30th and August 1st,
9 and will hear oral arguments from the parties on
10 September 12th.

11 The Commission anticipates issuing a Final
12 Order in this docket by October 25th, and any new
13 rates would become effective on November 1st,
14 2024.

15 Additionally, any members of the public who
16 wish to comment but do not want to do so this
17 evening may submit written comments by e-mailing
18 at PUC.publiccomments@PUC.Oregon.gov or by mail
19 addressed to the Oregon Public Utility Commission,
20 PO Box 1088, Salem, Oregon, 97308-1088. Please
21 include an attention line that identifies the
22 docket as UG 490.

23 Additionally, members of the public may
24 provide comment by calling Consumer Services at
25 800-522-2404. Members of the public may request

1 an interpreter at the time that they call, and
2 will be connected to an interpreter to the extent
3 that one is available for their language.

4 The consumer representative will provide a
5 summary of any comments received to Staff, and
6 Staff will provide an overview of any comments
7 received by April 23rd, 2024 as part of its
8 opening testimony.

9 If you have any questions about this
10 proceeding, please contact the PUC's Consumer
11 Services team by e-mail at PUC.Consumer
12 @PUC.Oregon.gov, or, again, by phone at 800-522-
13 2404. Additionally, we accept all relay calls.

14 I will now turn things over to Melissa
15 Nottingham with Staff for Staff's presentation.

16 MS. NOTTINGHAM: Good evening. My name is
17 Melissa Nottingham, and I'm the manager of
18 Consumer Services. Part of my role here is to
19 gather public comments, and tonight I'll be
20 providing a high level overview of Northwest
21 Natural's general rate case filing and the
22 potential impact to residential customers. So,
23 I'm just going to pull up my presentation now.

24 Can you see that, Sarah?

25 ALJ SPRUCE: Yes.

1 MS. NOTTINGHAM: Okay.

2 SUPPORT STAFF: Melissa, it is the
3 presentation -- it's not the presentation view,
4 it's the notes view.

5 MS. NOTTINGHAM: Okay. Hold on just a
6 second. We are -- okay, let me try it again. Let
7 me try sharing screen. I feel like we have a lot
8 of technical issues.

9 *(Pause)*

10 MS. NOTTINGHAM: Okay. Okay. How's
11 that?

12 SUPPORT STAFF: It's the slides.

13 ALJ SPRUCE: Not -- not perfect, but just
14 go with it.

15 MS. NOTTINGHAM: I'm just going to go with
16 it. I think that's our theme tonight. Anyway, I
17 just wanted to -- oh, it's gone.

18 ALJ SPRUCE: It looks like we lost the --
19 the -- the screen. Make sure it's in the specific
20 window rather than the general screen sharing
21 view.

22 MS. NOTTINGHAM: Yeah. Share screen.
23 Okay. We'll try again.

24 ALJ SPRUCE: That looks good.

25 MS. NOTTINGHAM: Okay. Whew. Okay.

1 Again, I appreciate everybody's patience
2 tonight, really. This -- I appreciate it.

3 Just to quickly go over this again, the
4 information provided in this presentation is the
5 Company's proposal and doesn't necessarily reflect
6 the final decision. As part of the process, Staff
7 will be reviewing the Company's request to ensure
8 it's reasonable and necessary for providing
9 service to Northwest Natural Oregon's customers.

10 In the first box we have an example of what
11 your average residential bill looks like right
12 now. So an average customer using 55 therms has a
13 basic charge of \$8 with a residential average of
14 \$79.43. A multifamily looks very much the same.
15 With the proposed November 1st, 2024 increase, a
16 single family basic charge would increase to \$10,
17 making the new residential bill \$93.81, or an
18 approximate 18% increase. Multifamily would
19 retain an \$8 basic charge. The average bill would
20 go up about \$12.39 for a 15.6% average increase.

21 The Company's also proposing to bifurcate
22 new gas service from an existing gas service. Any
23 new service installed after November 1st, 2024
24 would have a basic charge of \$26.25 for a single
25 family home and \$24.25 for a multifamily home.

1 Again, the impact for residential customers is
2 driven by the amount of gas that you use.

3 Base rates is what we're looking at with a
4 general rate case, and these include the cost to
5 serve customers. The Company's proposed base
6 rates would represent about a 30% increase, but if
7 we add in the cost of the commodity -- or in this
8 case it would be gas -- add in those costs, then
9 the average would be approximately 19%.

10 So, what are driving these rates? The
11 highest bucket is depreciation. And depreciation
12 is how the Company recovers the cost of equipment
13 and other capital investments over the lifetime of
14 the asset.

15 The next bucket is operation and
16 maintenance. This is the daily operational costs
17 of running the utility. This includes labor,
18 maintenance, routine repair, facilities,
19 insurance, administration, safety, training, et
20 cetera.

21 The next bucket is capital projects, unlike
22 depreciation these are new investments. The
23 proposal is a central resource center, which is a
24 building to expand the Company's footprint in the
25 community, also including some seismic upgrades to

1 existing buildings, a meter modernization program
2 to replace meters at the end of their life, as
3 well as build in some efficiencies into the meter
4 reading, and the creation of gas storage in order
5 to allow the Company to meet winter peak loads.

6 To review Northwest Natural's proposal, the
7 Public Utility Commission employs experts from a
8 variety of areas. Rate cases are complex. The
9 company must demonstrate their spending is
10 necessary, prudent and reasonable. Staff's
11 responsibility encompasses a range of tasks from
12 technical analysis, economic review, how the costs
13 are distributed among different types of
14 customers.

15 To do this type of analysis, we have a team
16 of accountants, financial analyst, economists and
17 engineers to make sure the proposed projects, the
18 forecast and any modeling used is reasonable.

19 Legal guidance is provided by the
20 Department of Justice. Bottom line is to make
21 sure that Oregonians have safe and reliable
22 service at a good -- at a just rate.

23 This is a -- unlike -- like a legal
24 proceeding, the next steps will include the Staff
25 responding with their opening testimony. We've

1 already started the process of requesting
2 additional information from the Company to support
3 their filing, and -- and that'll go through --
4 we'll have testimony, if there's any settlement
5 positions, these are some of the potential
6 outcomes. The attorneys, working with Staff, will
7 cross-examine witnesses, submit legal briefs, and
8 make oral arguments.

9 I strongly encourage everyone to follow the
10 docket and receive updates by going to
11 www.Oregon.gov/PUC and follow UG 490.

12 Tonight the part of the process is most
13 important is to hear the issues that are important
14 to you, so I encourage everyone to participate and
15 let -- while you have the Commission hearing, let
16 us know what is important to you as far as this
17 rate case.

18 I want to thank, again, everybody for their
19 patience tonight. I look forward to hearing your
20 feedback. And, again, if we have any other
21 questions, please contact Consumer Services at the
22 information provided on the other presentation or
23 1-800-522-2404.

24 Thank you.

25 ALJ SPRUCE: Okay. Thank you, Melissa.

1 So, we are now going to get to the public
2 comment portion, which I know is why many, if not
3 most of you are here. So let me go over the
4 process we will be following tonight to help
5 ensure that everyone has a chance to speak.

6 First, just as a reminder, though if you're
7 not in a channel I don't know how helpful this
8 will be, but please make sure you have selected
9 either the English or Spanish channel after
10 clicking the interpretation button at the bottom
11 of your screen. If you click the Spanish option,
12 you will hear a Spanish translation of everything
13 this evening, and will be able to have your
14 comments translated from Spanish to English if you
15 do provide comments in Spanish.

16 Second, we received a number of public
17 comments from folks requesting to speak at this
18 hearing. We are aware of those requests, but for
19 tonight we are asking folks instead to use the
20 "Raise your hand" function of Zoom, and I will
21 call on people in the order that I see them on my
22 screen. You do not need to raise your hand just
23 yet, we will be getting to that in a moment.

24 For participants using a PC, you can find
25 the "raise your hand" function under the

1 "reactions" menu at the bottom of your screen or
2 you may just see the button "Raise hand." If you
3 are on a Mac or an iPad or iPhone, you may need to
4 click on the "More" button at the bottom of your
5 screen to find the "Raise your hand" function.

6 For those of you that are joining us by
7 telephone, you can raise your hand by pressing
8 star nine. I will call on individuals by name or
9 the visible digits of your phone number when it is
10 your turn to speak, and I will unmute you at that
11 time. You may also need to unmute your computer,
12 microphone, or telephone at that time.

13 We have an additional issue tonight in that
14 it seems as if we had an incorrect link go out,
15 and so we have a number of folks that are in under
16 the same name. For those of you who wish to
17 comment and are in under that name, I will do my
18 best to try to identify you so that you know it is
19 you. We do have the ability to request people to
20 unmute, so once we allow you to talk to provide
21 your comment, we will push your request for you to
22 unmute so that ideally you know that you are the
23 person who -- whose turn it is to speak.

24 Okay. So this is an opportunity for you to
25 offer comments on Northwest Natural's rate

1 request.

2 The Commissioners will be listening
3 carefully, but will not be answering questions,
4 responding to individual comments tonight.

5 So, I see a number of people have already
6 done it, but at this time I ask that anyone
7 wishing to provide comment raise your hand so that
8 I can get an idea of how many people are here and
9 interested in commenting tonight.

10 Okay. All right. So we have quite a
11 number of people. Thank you everyone. I just
12 have a few more instructions before I start
13 calling on folks.

14 So when you're called on to speak, please
15 speak clearly and state your name for the record.
16 Your comments are being recorded, and we want to
17 ensure that they can be heard clearly, as well as
18 translated.

19 When speaking, please provide a brief
20 summary of your views. We already have quite a
21 few people here who would like to speak, and I
22 will, again, be checking in as the night goes on
23 to see if more folks want to who haven't joined
24 yet. But to help us hear from as many of you as
25 possible tonight, I would ask you to please avoid

1 repeating statements already made by others, and
2 instead state your support what others have said
3 wherever possible.

4 We're probably going to require about three
5 minutes or less. I will do my best to let you
6 finish your statement before I interrupt you just
7 to let you get to the end of a sentence, but we're
8 going to cap folks at three minutes to ensure that
9 everybody has a chance to speak tonight.

10 On that note, if you have prepared written
11 comments, we would ask you to submit those rather
12 than reading those, and to summarize them when you
13 speak. But if you are going to be reading a
14 prepared statement, please make sure that you
15 speak slowly. You may need to artificially slow
16 yourself or you may speak too fast for the
17 translator. At the end of your comments, please
18 let us know that you are done speaking.

19 So with that, we'll go ahead and get
20 started.

21 And, again, for anybody who's just joining,
22 if you would like to provide comments, please use
23 the "raise your hand" function, Zoom. If you are
24 calling in this evening, please press star nine to
25 use "raise your hand," and I will call on people

1 in the order that they appear on my screen.

2 So the first person with a hand raised is
3 David Reed. David, you may provide your comment
4 when you are ready.

5 *(No audible response)*

6 ALJ SPRUCE: Okay. David, I'm going to
7 ask one last time if you'd like to give your
8 comment. You may need to unmute. Yes. There you
9 go. Thank you. David, if you could state and
10 spell your name for the record before you provide
11 your comment?

12 *(No audible response)*

13 ALJ SPRUCE: Okay. With that, I'm going
14 to go ahead and mute you again and move you back,
15 remove the permission to talk. If you would like
16 to -- still like to provide comment later, please
17 raise your hand again and we will circle back
18 around to you.

19 So the next -- next person that I see on
20 the attendees list here is Max Bondar -- Bondar.
21 I apologize if I have mispronounced your name.
22 Okay.

23 Mr. BONDAR: No worries.

24 ALJ SPRUCE: Hi. If you could please state
25 and spell your name for the record before you

1 provide your comment.

2 MR. BONDAR: Hi. My name is Max Bondar,
3 M-a-x, last name's Bondar, B-o-n-d-a-r.

4 ALJ SPRUCE: Okay. And you may provide
5 your comment when you're ready.

6 MR. BONDAR: Thank you.

7 I'm here today on behalf of David Weekley
8 Homes, which is a local homebuilder here in this
9 area. I'm here to speak in support of the line
10 extension allowance increase for Northwest
11 Natural.

12 The reason I'm here today is I deal in land
13 development. In our recent interactions with
14 Portland General Electric and Columbia River PUD,
15 I've highlighted electrical system limitations and
16 capacity issues that necessitate costly electrical
17 infrastructure upgrades. These challenges
18 potentially limit development on otherwise
19 developable land. The financial burdens associated
20 with these upgrades will inevitably be passed on to
21 future homeowners, substantially raising
22 construction costs and increasing both initial home
23 prices and ongoing utility expenses. Additionally,
24 the issues of home affordability is further
25 exacerbated as less expensive gas appliances are

1 being replaced by more costly electrical
2 appliances.

3 I'm here to strongly advocate for
4 maintaining or increasing the Northwest Natural
5 line extension allowance and urge complete
6 transparency from electrical companies and
7 Northwest Natural regarding their installation,
8 energization and extension costs for new
9 subdivisions. For example, last year our payments
10 to Portland General Electric included significant
11 and unclear overhead charges on top of material and
12 labor costs. To our knowledge, there's currently
13 zero accountability for PGE's or Northwest
14 Natural's installation and extension costs charged
15 to developers. We are observing a massive increase
16 in utility installation costs from these companies
17 coupled with decrease in extension allowances,
18 which underscores a profound need for regulatory
19 oversight and transparency in this area.

20 We appreciate your attention to these issues
21 and are just hoping for more transparency from
22 these utility companies.

23 Thank you.

24 ALJ SPRUCE: Thank you.

25 Okay. And the next person I see on the list

1 is Mike Erdmann.

2 MR. ERDMANN: All right. Can you hear me?

3 ALJ SPRUCE: I can hear you. If you could
4 please state and spell your name for the record and
5 then you may provide your comments.

6 MR. ERDMANN: I will. So, Mike Erdmann,
7 spelled E-r-d-m-a-n-n.

8 And I am with the Home Builder's Association
9 of Marion and Polk Counties, and we represent
10 builders in the greater Salem area, and I'm here
11 tonight to support the line extension allowance
12 (*inaudible*) as proposed by Northwest Natural in the
13 filing.

14 Our concern is that without these changes to
15 the LEAs, we're concerned that developers, you
16 know, particularly those that develop more modestly
17 priced new housing, will not be able to afford to
18 run gas to those new subdivisions, and so that
19 denies those home buyers the choice in energy
20 options that they clearly want, but frankly, more
21 importantly, it puts them at greater risk by
22 denying them the energy resiliency that they need
23 during power outages.

24 And from a personal point of view, I've got
25 experience with that, you know, three years ago I

1 went through an eight day power outage, all hotel
2 rooms were booked between Eugene and Vancouver as a
3 result, and -- and, frankly, it was my gas
4 fireplace provided enough warmth to allow the
5 family to stay somewhat comfortable in the home.
6 And I know that countless others experienced much
7 of the same during that recent ice storm we had a
8 couple of months ago.

9 And so what we're experiencing is that our
10 builders are reporting a significant increase in
11 recent months in customers that want to put in a
12 natural gas backup generator for future power
13 outages, even though they may be relying on an
14 electric heat pump for their HVAC system.

15 So, while the LEA changes provide for a
16 greater energy choice and resiliency, you know, of
17 course the changes also push homebuilders towards
18 greater electrification by providing that financial
19 incentive for builders to minimize the use of gas
20 in new homes. And we believe, as an association,
21 this strikes an appropriate balance between greater
22 electrification and energy resiliency. And, of
23 course, that benefits home buyers by ensuring they
24 retain that energy choice and have that resiliency
25 provided by gas service to the home.

1 And finally, I want to stress that these
2 line extension allowances are not subsidies
3 provided to developers, they're ultimately paid for
4 by the very customers that connect to the gas
5 system in that subdivision, and that, frankly,
6 further reducing or even eliminating those line
7 extension allowances increases development costs,
8 and that makes housing more expensive, and
9 ultimately conflicts with the Governor's goal of
10 both increasing housing production and making
11 housing more affordable.

12 And, of course, existing Northwest Natural
13 customers benefit because the additional new
14 hookups help absorb some of the fixed costs of the
15 system.

16 So, I'll wrap it up. We would just urge the
17 Commission to support the changes to the line
18 extension allowances contained in the -- in the
19 filing.

20 Thank you.

21 ALJ SPRUCE: Okay. Thank you.

22 All right, the next person I see on the list
23 is Jed Bennet.

24 MR. BENNETT: Yes. Can you hear me?

25 ALJ SPRUCE: I can hear you. If you could

1 please state and spell your name for the record,
2 and then you may provide your comment.

3 MR. BENNETT: Yes. My name is Jed Bennet,
4 spelled J-e-d B-e-n-n-e-t-t.

5 So, I'd also like to dovetail onto the last
6 two folks in their support of the line extension
7 allowances as part of Northwest Natural's filing.

8 I am a developer and homebuilder that
9 targets the first time home buyer. That said, my
10 homes are priced at the lower end of the market,
11 and my customers' income is also on the lower end.

12 As you might imagine, every dollar counts in
13 this market segment. With reduced allowances this
14 past year, I was experiencing gas connection
15 charges as high as \$1,800 per home. Because of
16 this cost, I had to make gas and gas appliances an
17 option that my customers could choose if they could
18 afford the additional cost. In many cases, my
19 buyers could not afford any additional costs, so
20 they did not have gas installed to their new homes.

21 Because the current line extension
22 allowances are decreasing each year and are on a
23 path to zero, I'm having to make hard decisions in
24 whether to pay for natural gas to be installed in
25 my new subdivisions. Allowances used to cover the

1 cost of Northwest Natural Gas to install their
2 services -- excuse me, allowances used to cover the
3 cost of Northwest Natural to install their
4 services, but now the cost is being borne by
5 developers. It used to be covered by 'em.

6 With that said, if a line extension
7 allowance, like the one proposed by Northwest
8 Natural, is not approved, we will see housing to
9 our lowest income levels installed without gas,
10 whereas more affluent home buyers who can afford
11 the additional cost will be able to pay for gas and
12 gas appliances. This inequity will be realized in
13 their -- when there are power outages, and those
14 that have been able to afford energy resiliency
15 that natural gas provides have warm homes and hot
16 water, while those who cannot afford natural gas
17 will suffer.

18 I am very much in support of the proposed
19 line extension allowances and ensuring that home
20 buyers at all income levels have access to the
21 energy resiliency afforded by natural gas.

22 So with that said, again, I'd like to
23 support the line extension allowances that are
24 proposed by Northwest Natural, and I'm certainly
25 available for any questions.

1 ALJ SPRUCE: Okay. Thank you.

2 Okay, and the next person I see on the list
3 is Dineen O'Rourke.

4 MS. O'ROURKE: Good evening. Can you hear
5 me?

6 ALJ SPRUCE: Yes. I can hear you. And,
7 again, if you could just state and spell your name
8 for the record, and then you may provide your
9 comment.

10 MS. O'ROURKE: Yes. My name is Dineen
11 O'Rourke, it's D-i-n-e-e-n. And I am the campaign
12 manager for 350 PDX.

13 Thanks for the opportunity to testify this
14 evening.

15 So, 350 PDX is a people powered grassroots
16 organization that's been working in our region for
17 over 10 years. We are fighting the causes of the
18 climate crisis through justice-based solutions.

19 I am testifying today to request that the
20 Commission reject Northwest Natural's deeply flawed
21 proposal. Northwest Natural's proposal will prop
22 up its polluting gas system in the face of emission
23 reduction obligations by expanding its system and
24 relying on expensive false solutions like
25 biomethane and hydrogen blending.

1 I am one of many, many people who are
2 concerned about the unrealistic and misleading
3 claims gas companies have been making about the
4 availability, costs and benefits of so called
5 renewable natural gas and hydrogen. I hope that
6 the Commission will be skeptical of Northwest
7 Natural's plans to rely on and promote renewable
8 natural gas and hydrogen promises.

9 It is clear that the only feasible and cost
10 efficient pathway for gas utilities like Northwest
11 Natural is to comply with the State of Oregon's
12 climate goals and decarbonize the gas system
13 through investments in electrification.

14 It is critical that ratepayers are not
15 paying to subsidize the expansion of fossil fuel
16 infrastructure.

17 In light of this, I am asking that the
18 Commission order Northwest Natural to eliminate its
19 line extension allowance. It has become clear that
20 Northwest Natural is continuing to use ratepayer
21 dollars to offer exorbitant subsidies to connect
22 homes and businesses to the gas system.

23 Thank you.

24 ALJ SPRUCE: Okay. Thank you.

25 All right. And next on the list we have

1 Justin Wood.

2 MR. WOOD: Hi there. Can you hear me?

3 ALJ SPRUCE: Yes, I can hear you. And,
4 again, if you could go ahead and just state and
5 spell your name for the record, and then you may
6 provide your comment.

7 MR. WOOD: My name is Justin Wood, as it
8 sounds, W-o-o-d.

9 I am a -- I'm an entry level homebuilder in
10 the city of Portland. My primary construction
11 market is in-fill middle housing, entry level
12 product that's geared for the first time home
13 buyer.

14 I also had the pleasure of serving on
15 Governor Kotek's Housing Production Advisory
16 Council, I was one of the council members. And one
17 of the things that we prided ourselves on was
18 trying to figure out ways to provide -- to increase
19 housing production in the state, but also increase
20 housing affordability and options for entry level
21 home buyers.

22 So one of the things that I find in the
23 products that we build, is we really try to find
24 what is the best option for how to provide housing
25 to that entry level housing market. And when we

1 look at all the options that we provide, it really
2 is providing an option that's both a mix of natural
3 gas and power.

4 As we've created more and more housing
5 recently, we've found that the heating systems have
6 become better and more prepared to be able to serve
7 the housing needs for what we need to do, but we
8 also have to blend that with other options for
9 backup gas sources for heating options, also for
10 cooking options, and quite honestly, the water --
11 hot water usage is quite -- is -- the best option
12 for heating hot water right now is through natural
13 gas.

14 And so I guess I'm testifying in support of
15 the line extension allowance because I think what
16 Northwest Natural is trying to do is really trying
17 to balance the need for understanding that there is
18 a -- there is a desire to reduce the carbon
19 footprint across our state and across our region,
20 but also trying to balance that with the need for
21 having redundancy and options for home buyers. And
22 so I think this strikes a good balance and that is
23 it incentivizes us to use less gas, but also
24 incentivizes people to be able to figure out a way
25 to do both.

1 And so I'm asking that you figure out a way
2 to support this so that we can provide our entry
3 level home buyers with this best option.

4 A couple things that I would just like to
5 point out, in addition to building in the Oregon
6 market, I have built homes in Washington, and
7 currently in Washington, the Washington Code has
8 pushed us to an almost all electric new
9 construction system, and we have found quite a lot
10 of problems with that. The most recent weather
11 when we had back in this winter when we had, you
12 know, close to, you know, below zero temperatures
13 for a while, especially in the eastern part of
14 Washington, we had a lot of home buyers that had a
15 lot of issues with their all electric heating
16 systems, and we actually had to figure out ways to
17 provide them backup and temporary heat, as you
18 heard from somebody else mentioned as well earlier
19 today. So, it just illustrates the importance of
20 providing redundancy and options for both of our
21 home buyers.

22 And then there's been some conversations
23 about the allowances that's been given from the
24 ratepayers. I would just like to point out as well
25 that we get these allowances from Northwest

1 Natural, which is offset by the cost of the new
2 construction that we pay to put in our homes, but
3 this isn't unique to Northwest Natural Gas, we also
4 get line extension allowances from the power
5 companies that we work with as well, so we get line
6 extension allowances from Portland General
7 Electric, Pacific Power and all the other
8 utilities, so that's a common thing. So, I think
9 thing is consistent with what happens from other
10 utility providers across the state.

11 So, again, I'd just like to thank you for
12 your time and, you know, stress my support and the
13 need for this for us to be able to continue to
14 provide entry level affordable housing for people
15 in our state.

16 Thank you.

17 ALJ SPRUCE: Okay. Thank you.

18 All right. And then just a general reminder
19 for folks, when you're speaking, just make sure to
20 try to talk -- or try not to talk terribly fast,
21 just to make sure our translators are able to -- to
22 translate and keep up with you.

23 So, the next person on the list is Randy
24 Sebastian.

25 *(No audible response)*

1 ALJ SPRUCE: All right. And you may need
2 to unmute on your end.

3 MR. SEBASTIAN: Done. Unmuted.

4 ALJ SPRUCE: Okay.

5 MR. SEBASTIAN: Thank you.

6 ALJ SPRUCE: All right. If you could
7 please state and spell your last your name for the
8 record, and then you may provide your comment.

9 MR. SEBASTIAN: Yes. Hi. Randy Sebastian,
10 R-a-n-d-y S-e-b-a-s-t-i-a-n.

11 I am also a homebuilder, and I agree with my
12 -- my other peers in allowing clients, our new
13 homeowners, to have options for heating water and
14 also cooking.

15 I have got a different business model. My
16 homes start around two million dollars. My clients
17 will demand gas no matter what, and most of our
18 homes have included natural gas fired furnaces --
19 or, excuse me, natural gas fired generators or
20 they're wired for them. And my concern is not for
21 me, but it's for the other builders that are trying
22 to provide options for their clients. And I see it
23 turning into a "haves" and "haves-not" situation.
24 And the most energy efficient way to heat water is
25 through gas, and the only way we can have a backup

1 generator, truly, is gas or propane. And so I
2 really think that by giving -- by allowing the gas
3 company to do the increase in the allowances for
4 the extensions, allows homeowners to continue to
5 get what they -- what they need at an affordable
6 price.

7 I've been building homes for 40 years, and
8 I've seen since 1984 permits in the city -- I know
9 it's -- we're not talking about permits -- but
10 permits in the City of Portland, I could get them
11 in one day and they're \$800. Now they're six
12 months and \$70,000. So, I think everybody in power
13 positions like you guys need to really look at what
14 -- what happens when you make decisions on
15 affordability.

16 Housing affordability is really being hurt
17 by all these regulations, so I think if there's any
18 way you can help give some relief to housing costs,
19 you could do it and you could do it here.

20 So, thank you.

21 ALJ SPRUCE: Okay. Thank you.

22 Okay. And then next on the list I see Pat
23 Delaquil. And I'm so sorry if I have mispronounced
24 that.

25 MR. DELAQUIL: That's quite all right. Can

1 you hear me?

2 ALJ SPRUCE: Yes. And you may go ahead and
3 state and spell your name for the record, and then
4 provide your comment when you are ready.

5 MR. DELAQUIL: It's Pat Delaquil, D-e-l-a-
6 q-u-i-l.

7 I am an energy systems modeler and climate
8 policy analyst, and I'm submitting this testimony
9 on behalf of MCAT (Mobilizing Climate Action
10 Together), which is a community of about 500
11 volunteers working on advancing healthy climate and
12 a green energy economy for future generations.

13 As I testified to the Committee during the
14 recent Northwest Natural IRP CEP docket, multiple
15 reports from multiple international and national
16 groups studying the potential for long-term
17 decarbonization pathways have consistently
18 identified four core strategies to the most cost
19 effective and economically beneficial pathway:

20 1. Achieving 100% clean electricity
21 generation;

22 2. Converting our transportation fleet to
23 electric vehicles;

24 3. Converting our buildings and industry,
25 where feasible, to electricity; and

1 4. Developing carbon free fuels for long-
2 term storage reliability and hard to electrify
3 applications.

4 Unfortunately, Northwest Natural continues
5 to promote the false promise of decarbonizing its
6 gas grid through biomethane, hydrogen and synthetic
7 methane. The fact is that these decarbonization
8 pathways have been repeatedly proven to have higher
9 cost and greater technical risk compared to the
10 proven technologies for electrification, especially
11 for space and water heating services in our
12 buildings. Biomethane is temporary and a limited
13 solution, hydrogen is dangerous and costly, and
14 carbon neutral synthetic methane is a pipe dream.

15 We should be discussing how we can
16 gracefully age out of our existing gas
17 infrastructure in a way that maintains both the
18 viability of the public utility and the
19 affordability for its end-of-life customers.
20 Instead, we are here to resist the Company's effort
21 to sell its false promises. In our opinion,
22 Northwest Natural is not acting in the public
23 interest and does not deserve an increase in its
24 profit margins.

25 Also, it is -- it makes no sense to continue

1 to subsidize any fossil fuel infrastructure, nor
2 should we be incentivizing new buildings to connect
3 to the gas system. We shouldn't be governed by
4 past solutions. Low housing costs will mean
5 nothing if we continue to ignore the climate
6 crisis, especially with the escalating cost of gas,
7 which saddles low income customers with high bills
8 and questionable redundancy.

9 I urge you, the Commission, not to allow any
10 portion of this rate case.

11 Thank you.

12 ALJ SPRUCE: Okay. Thank you.

13 Okay. And next I see Nataliya Pirumova.
14 And, again, I'm so sorry if I mispronounced that.

15 MS. PIRUMOVA: No, that's correct.

16 My name is Nataliya Piramova, it's N-a-t-a-
17 l-i-y-a P-i-r-u-m-o-v-a. And I'm here on behalf
18 of Families for Climate.

19 I'm testifying to request that the
20 Commission reject Northwest Natural's efforts to
21 use ratepayer dollars in support of their
22 investments and false solutions, like renewable
23 natural gas and green hydrogen and mitigate risks
24 to ratepayers from continued expansion of the gas
25 system.

1 As a parent to two children, five year old
2 Vietta (*phonetic*) and one year old Rosie, I feel
3 like I owe it to them to attempt to somehow
4 forestall the climate emergency that is barreling
5 toward us, or in fact the one that's already here.

6 We all know that fossil fuels are the major
7 contributing factor to the devastation we see
8 around us and which will only grow worse.
9 Generations of adults are kicking the can down the
10 road and hoping that someone at some point will do
11 something to mitigate this, but we have the power
12 to mitigate it to some degree today. We must start
13 taking that action now.

14 Northwest Natural's attempting to sell us on
15 false solutions like bio-gas and hydrogen blending,
16 these unproven resources are expensive, scarce and
17 dangerous, and relying on them puts huge financial
18 risks on Northwest Natural's customers if they fail
19 to materialize. We need to stop expanding the gas
20 system and start shrinking it immediately.

21 I'm proud to live in a state that takes its
22 climate goals seriously. It is clear that the only
23 feasible and cost efficient pathway for gas
24 utilities like Northwest Natural to comply with
25 Oregon's climate goals and decarbonize the gas

1 system is through investments in electrification.

2 Instead of allowing Northwest Natural to
3 continue to prop up its business model with
4 expensive and ineffective investments in out-of-
5 state factory farms and other sources of gas,
6 listen to the countless ratepayers and local
7 governments calling for a managed transition to all
8 electric homes and buildings.

9 Thank you for giving me the opportunity to
10 speak on behalf of myself and my children.

11 ALJ SPRUCE: Okay. Thank you.

12 And next on the list I see Jay Clark. Oh,
13 well I guess that hand went down and we have one of
14 our mystery speakers, the Christy Collins speaker.
15 Hi. I see you've already unmuted. If you could go
16 ahead and state and spell your name for the record
17 before you provide comment.

18 MS. LEHMAN: Hi. This is Nora Lehmann.
19 And that's Nora L-e-h-m-a-n-n.

20 Chair Decker and Commissioners, thank you
21 for the opportunity to testify this evening.

22 Like Nataliya, I am also a mom of two young
23 children, Sally who is eight and Sydney who is six,
24 and I'm also a member of Families for Climate. We
25 are a grassroots nonprofit mobilizing parents, kids

1 and families for climate justice and a livable
2 future for all.

3 We request that the Commission reject
4 Northwest Natural's attempt to expand the system of
5 methane pipelines at their customers' expense and
6 at the expense of a livable climate for our
7 children.

8 A recent NOA report confirmed that in 2023
9 emissions of methane and carbon dioxide continue to
10 surge to historic highs. Oregonian families are
11 relying on decision-makers to set policy that
12 ensures fossil fuel usage actually declines, not to
13 prop up false solutions like bio-gas and hydrogen
14 blending.

15 In the context of our fragile and rapidly
16 devolving climate and the fact that Oregon has yet
17 to actually meet any of its greenhouse gas
18 pollution reduction benchmarks, it is imperative to
19 ensure that ratepayers aren't subsidizing the
20 growth of fossil fuel infrastructure at the exact
21 time when we need to be ramping it down as rapidly
22 as possible.

23 Given this, we again urge the Commission to
24 instruct Northwest Natural to discontinue its line
25 extension allowance. As parents, grandparents and

1 caretakers, we have an obligation to do everything
2 we can to protect our children's health and safety.

3 And we thank the PUC for your work and for
4 considering our testimony.

5 Thank you.

6 ALJ SPRUCE: Okay. Thank you.

7 All right. And then I see the name I was
8 originally trying to call, and I'm not 100% sure
9 what happened there, the hand is still up, so I'm
10 going to go slightly out of the order I now see for
11 whatever reason, and Jay Clark, you may go ahead
12 and unmute.

13 MR. CLARK: Hi.

14 ALJ SPRUCE: Okay. Thank you. If you
15 could go ahead and state and spell your name for
16 the record before you provide your comment.

17 MR. CLARK: Sure. My name is Jay Clark,
18 and I am the Director of Government Relations at
19 the Portland Metro Chamber, J-a-y C-l-a-r-k.

20 Thanks for allowing me to join you
21 virtually.

22 I'm here today on behalf of the Portland
23 Metro Chamber. We are the greater Portland's
24 Chamber of Commerce, and we represent the largest
25 and most diverse network of businesses in the

1 region with over 2,300 members, 80% of those are
2 small businesses.

3 I am here today to express the Chamber's
4 strong support for Northwest Natural's line
5 extension allowance portion of the current rate
6 case. This is an example of exactly what we ask
7 for from our public utilities today. With this
8 proposal, Northwest Natural has identified a
9 creative solution that allows consumers to access
10 the energy they need and the equipment they value,
11 and choose in a manner that protects resiliency,
12 affordability, and is mindful of states'
13 commitments to addressing climate change.

14 It is vital that the region has two energy
15 systems to support residents and provide certainty
16 during extreme weather events like we've seen
17 recently. This proposal ensures that we can
18 continue to have this as our region continues to
19 grow and as we shift to a lower carbon emission
20 economy. It is critical, especially today, that we
21 continue to have equitable access to energy choices
22 and don't just make choices for those who can
23 afford it.

24 For these reasons, the Portland Metro
25 Chamber urges the Public Utility Commission to

1 approve the line extension allowance as proposed by
2 Northwest Natural.

3 We thank you for your time and
4 consideration.

5 ALJ SPRUCE: Okay. Thank you.

6 Okay. And next on the list I see Harvey
7 Gail.

8 MR. GAIL: Hello? Can you hear me?

9 ALJ SPRUCE: Yes, I can hear you. And if
10 you could go ahead and state and spell your name
11 for the record, and then you may provide your
12 comment.

13 MR. GAIL: Yes. I'm Harvey Gail, it's
14 H-a-r-v-e-y, last name Gail, G-a-i-l.

15 I'm the Executive Director of the Oregon
16 Hearth, Patio and Barbecue Association speaking on
17 behalf of the industry that installs and maintains
18 gas appliances like fireplaces and heaters.

19 Natural gas and the equipment it powers are
20 highly valued by people not only for its efficiency
21 and aesthetics and ease of use, but as has been
22 mentioned earlier, for its role in providing
23 resiliency in home energy use. And when the power
24 goes out -- and it does, this happened this year,
25 it happened three years ago, it was quite terrible

1 -- people want to know they can stay warm and cook
2 food. These are basic needs. People like these
3 products and the affordability that natural gas
4 provides. They depend on it.

5 I concur with the homebuilders who have been
6 on the call earlier, however, the line extension
7 rule changes would reduce the allowance over time
8 and change the market so that only wealthy
9 neighborhoods would be able to afford having
10 natural gas. So don't make energy resiliency a
11 luxury item. That's what's going to probably
12 happen under these rules, which is kind of the
13 exact opposite of what this climate justice
14 movement is about.

15 So we would hope the Commission would be
16 celebrating the creative solutions provided by
17 Northwest Natural and honoring fuel choice,
18 consumer preference and affordability.

19 So, basically listen to the consumers and
20 what they want. They want affordable resilient
21 energy. And if not natural gas to provide this
22 resiliency, what other technologies would the
23 Public Utility Commission support to ensure the
24 resiliency is available in these communities?

25 So, again, we do support the line extension

1 allowance proposal by Northwest Natural.

2 Thank you very much.

3 ALJ SPRUCE: Thank you. Okay.

4 Next on the list I see Jeremy Osterholm.

5 MR. OSTERHOLM: Good evening.

6 ALJ SPRUCE: Good evening. If you could
7 please state and spell your name for the record,
8 and then you may provide your comment.

9 MR. OSTERHOLM: Yeah. My name is Jeremy
10 Osterholm, J-e-r-e-m-y O-s-t-e-r-h-o-l-m.

11 I'm the 2024 Board President for the Home
12 Building Association of Greater Portland. I'm also
13 the owner and President of OsterCraft Homes, Inc.,
14 where I am a second generation homebuilder in the
15 metro area.

16 I come before you today in support of the
17 Northwest Natural gas line extension agreement
18 proposal. The Home Building Association of Greater
19 Portland, also known as the HBA, is dedicated to
20 maximizing housing choice for all who reside in our
21 region. Our members are industry professionals
22 across the Portland metro region in six counties,
23 40 cities, and many more service and utility
24 districts.

25 As Justin mentioned earlier, our members

1 have been heavily involved in working with Governor
2 Kotek this last year in housing growth and housing
3 affordability initiatives that she has successfully
4 proposed. The recent trend of reducing the line
5 extension agreement with the end goal of
6 eliminating it plays against affordable housing.
7 For years the line extension agreement has provided
8 our members and communities around the region with
9 a viable option to have multiple energy sources in
10 our homes.

11 With the LEA, builders will continue to
12 provide natural gas to homes, but the consumer will
13 ultimately pay more for this product, increasing
14 the cost of housing.

15 The current proposal presented by Northwest
16 Natural provides an incentive to not only provide
17 natural gas as an option, it incentivizes builders
18 to use more energy efficient equipment in the homes
19 they build. This is a win for housing
20 affordability and for the environment.

21 As a second generation homebuilder, my
22 family has been building homes in Oregon since
23 1974. I can proudly say in our 50 years of
24 building, we have been installing natural gas to
25 our homes. It has been considered an amenity and

1 an asset for our home buyers.

2 As a small company, we work daily to try to
3 find a way to lower the cost of our homes so that
4 we can compete in today's market. We are also
5 always trying to anticipate what the next
6 generation of consumer is going to want in their
7 homes. In light of massive power outages the last
8 few winters, our consumers are making sure that we
9 are able to provide natural gas as well as power so
10 that they can have options when they are out of
11 power during these winter events. They're also
12 asking for energy efficient products. The new LEA
13 proposal from Northwest Natural will make it easier
14 for me to provide to my customers with energy
15 efficient products and help keep my cost in check.

16 I've read through Northwest Natural's
17 proposal, and I'm not only in support of it, I am
18 thankful that they have answered the call to
19 serving our industry's growth while lowering
20 emissions.

21 I'd ask that you please take my testimony
22 into account and approve this proposal.

23 Thank you for your time.

24 ALJ SPRUCE: Thank you.

25 Okay, next on the list I see Paul Vogel.

1 MR. VOGEL: Good evening. My name is Paul
2 Vogel, V-o-g-e-l.

3 I submitted written testimony, so I'd just
4 like to provide a -- just a synopsis. I live and
5 work in rural Oregon. Oregon has energy supply
6 constraints, we have housing constraints, we have
7 carbon reduction and climate goals, we have
8 increasing clean fuel standards, and it's time for
9 innovation and options that encourage housing,
10 facilitate workforce supply and distribution and
11 also encourage energy resilience and
12 responsibility.

13 So we strongly encourage your approval of UG
14 490.

15 Thank you.

16 ALJ SPRUCE: Okay. Thank you.

17 Next on the list I see Mica McOmber.

18 *(No audible response)*

19 ALJ SPRUCE: You can go ahead and unmute.

20 MR. MCOMBER: Can you guys hear me now?

21 ALJ SPRUCE: Yes.

22 MR. MCOMBER: Thank you.

23 ALJ SPRUCE: If you could go ahead and
24 state and spell your name for the record, and then
25 you may provide your comment.

1 MR. MCOMBER: Thank you.

2 Mica McOmber, M-i-c-a M-c-O-m-b-e-r.

3 I've been a homebuilder for 25 years in Lane
4 County, Eugene area. Many aspects, I'm calling to
5 comment on, one, on the proposed line extension
6 allowance. So I'm in support of Northwest
7 Natural's proposed line extension allowance.

8 I'd like to -- I'd like to reiterate, Mike
9 Erdmann said it well early on in the -- in the
10 testimony, and he said it probably better than I
11 could ever say it and many other builders I concur
12 with and I am in agreement with the resiliency
13 aspect or having the option to have -- have
14 multiple fuel sources.

15 The testimony that I've heard, obviously
16 both sides of the aisle, the testimony opposing it
17 tends to force -- tends to focus on the forced
18 electrification, and I just don't quite understand
19 their arguments. Homes -- homes that I'm currently
20 building, some people are putting in two electric
21 car chargers -- two 50 amp electric car chargers.
22 Oregon and Washington and California, 2035 it is
23 proposed to ban internal combustion engines in new
24 vehicles. Our electric grid is maxed out. I mean,
25 we don't have the capacity in 11 years to power all

1 of our cars.

2 If we want -- if we want to actually make a
3 difference, having dual fuel in a home and allowing
4 our infrastructure, our electrical infrastructure,
5 to handle these extra burdens of electric vehicles,
6 we need to -- we need to keep that in mind when
7 we're -- when we're making these decisions on
8 natural gas in homes and making it affordable.

9 Our -- our -- anyways, that's -- if you look
10 at the electric grid of Oregon, 2020, 48% of
11 electricity in Oregon was generated by burning
12 natural gas and coal. You can look it up on
13 Oregon.gov, 48% of electricity used in Oregon was
14 generated by coal and natural gas. So if you ban
15 natural gas -- or if you try to limit natural gas
16 use in the homes, you're just going to burn it
17 somewhere else.

18 Thank you for your time. I'm definitely in
19 support of the proposed line extension allowance
20 for Northwest Natural.

21 Thank you.

22 ALJ SPRUCE: Okay. Thank you.

23 Okay. And next I see another one of the
24 duplicate Christy Collins entries. I'm going to
25 allow you to talk and ask you to unmute so that you

1 know who I'm referring to. And if you could go
2 ahead and state and spell your name for the record,
3 and then you can provide your comments.

4 MR. KORSC: Yes. Hello. My name is
5 Preston Korsc. Good evening Chair Decker and
6 members of the Commission. Preston Korsc here,
7 K-o-r-s-c.

8 And I am the Director of Government Affairs
9 at the Home Building Association of Greater
10 Portland.

11 You have already heard from several of our
12 members, each of them play a critical role in
13 addressing our state's severe and worsening housing
14 affordability crisis.

15 We are here tonight to testify on behalf of
16 those members and many more to show our strong
17 support for the proposal generated by Northwest
18 Natural that, as far as we know, would create the
19 nation's first residential line extension allowance
20 supporting both housing production objectives and
21 energy grid decarbonization.

22 Now, specifically approval of this proposal
23 will accomplish several key objectives, the first
24 of which is that it will continue to make it
25 feasible for builders of all sizes to install

1 important, and as you've heard, highly desirable
2 and desired residential infrastructure that
3 delivers natural gas now and can be used to
4 transport important movement of clean energy
5 sources into the future, including renewable
6 natural gas and blended hydrogen products.

7 It will also prevent further changes to our
8 state's building and design code objectives,
9 ensuring that builders and developers have a more
10 predictable building environment in a regulatory
11 landscape and capital market that is already
12 volatile enough.

13 And lastly, it will offer incentives for new
14 technology that are still emerging from the market,
15 which previous LEA models don't necessarily account
16 for, including hybrid space heating solutions.

17 And now it is important to note what this
18 proposal and what LEAs are not. And a line
19 extension allowance is not a subsidy, as some might
20 suggest. Home builders will know that firsthand.
21 Rather than -- and, you know, rather, it is -- it's
22 a usage-based credit that utilities of all kinds,
23 gas and electric, apply as an allowance for the
24 high capital cost of bringing service to new
25 homes.

1 So, with that in mind, we encourage you to
2 approve this proposal because it prioritizes both
3 housing affordability while bending the market
4 towards a cleaner and more efficient energy
5 grid.

6 So, the Home Building Association of Greater
7 Portland is certain, and we believe that this plan
8 will result in a more sustainable energy future,
9 more reliable energy supply during peak events,
10 and it will reduce the impact that overall energy
11 consumption has on our environment.

12 So with that, I thank you for hearing our
13 testimony tonight.

14 ALJ SPRUCE: Thank you.

15 Okay. And the next person on the list is
16 Jane Stackhouse. Okay. If you could go ahead and
17 please state and spell your name for the record,
18 and then you may provide your comment.

19 MS. STACKHOUSE: Yes. Thank you, Chair
20 Decker and Commissioners Tawney and Perkins.

21 My name is Jane Stackhouse, spelled J-a-n-e,
22 Stackhouse, S-t-a-c-k-h-o-u-s-e.

23 I live in a 99 year old duplex in Northeast
24 Portland, and I'm here this evening to ask that
25 you deny Northwest gas company's request for a

1 rate increase to expand their gas distribution
2 system and protect their shareholders from a
3 changing market. The market is changing, our
4 climate is changing, and we must take action now.

5 I am also a member of MCAT (Mobilizing
6 Climate Action Together), and encourage you to
7 review the written statement that Dr. Pat Delaquil
8 summarized for us and was submitted on behalf of
9 our organization.

10 As a former Northwest gas customer, I am not
11 concerned with my own pocketbook. I had the gas
12 line to my home cut in 2020. My tenant and I are
13 two of a growing number of gas free, all electric
14 homes in Portland. You'll start seeing more and
15 more signs "Electrify PDX."

16 I ask you to deny the request because the
17 last thing any of us needs is more methane, so-
18 called renewable or not, circulating beneath our
19 streets, polluting our air and endangering our
20 neighborhoods.

21 I am gas free, but I still live next to
22 pipes that could rupture or leak and explode. I
23 believe this danger increases as we near the
24 predicted -- some objection -- earthquake.

25 I was fortunate in that I could refinance at

1 a low interest rate and complete the full
2 Stackhouse electrification process at one time. I
3 feel for low income customers and renters who do
4 not have that option. Customers should not have
5 to pay for the shortsightedness of their energy
6 provider, especially those customers who have
7 limited options.

8 Northwest gas has viable business options,
9 other than the ones they propose of different
10 types of gas, and we really need to encourage them
11 to look into these other options.

12 Please deny the rate increase. It may help
13 them consider other, better, cleaner business
14 models.

15 Thank you very much for the time.

16 ALJ SPRUCE: Thank you.

17 Okay, next on the list I see Maria Torres.
18 Okay. You should be able to unmute now.

19 MS. TORRES: Si.

20 ALJ SPRUCE: Okay. Perfect. And you can
21 go ahead and state and spell your name for the
22 record, and then you may provide your comment when
23 you're ready.

24 *(The following is translated from Spanish to*
25 *English:*

1 MS. TORRES: Hello, my name is Maria, Maria
2 Torres, M-a-r-i-a T-o-r-r-e-s.

3 I live in Washington County. I'm worried
4 because this rate hike will impact members of my
5 community and relative.

6 I come from living situations in which \$20
7 makes the difference. I can understand when a
8 change is being created to protect our planet.
9 However, it can be done gradually and that this
10 does not bleed poor families, like mine and that
11 of my community.

12 Many times I could not find those resources
13 that could make the difference that my family and
14 my children could avoid those traumas of feeling
15 unheard and abandoned. We have an unfair and
16 inequitable system.

17 So I'm going to include some questions and
18 answers that will help to understand why I stand
19 in solidarity with my community at these
20 moments.

21 Was there a moment when I felt vulnerable or
22 defrauded by the energy system? Yes. How did I
23 feel? I felt impotent, for I knew the
24 inflexibility.

25 Regardless of how much I explained, many

1 times they did not understand the changeability or
2 how changeable the economic life can be for
3 families in extreme poverty.

4 How would I like that to change? I would
5 like there to be more options for people who do
6 not qualify for government programs, or because of
7 their legal status, and that there are fewer
8 requirements when there are children at home.

9 A small thought on the reliability of the
10 power company (energy). What happened? It
11 destroyed me to see my children not be able to do
12 their homework because we had no power (energy),
13 to see them with cold because they could not use
14 (turn on) the heater.

15 I felt the lack of empathy on the part of
16 the energy departments. Just on remembering, it
17 breaks my heart for my children. Although they
18 are now adults, I would not want any family to go
19 through that situation.

20 It must be improved, to take into
21 consideration the basic needs of the elderly,
22 children, and people with disabilities, and to
23 have special programs that are easy to access
24 without so much bureaucracy.

25 It causes a domino effect when there are

1 power cuts for low income families or those with
2 little or no access to assistance programs. It
3 affects mental health as they lose these
4 fundamentals without these necessities and causes
5 frustrations.

6 They are affected by the extra charges for
7 being disconnected and then reconnected. When the
8 few resources are lost, that causes trauma at the
9 family level, et cetera.

10 Is there some question that needs an answer?
11 Yes. Where is the equity? How can I receive help
12 if I do not meet the requirements, the majority of
13 the time are absurd. Where do I go if I do not
14 have valid insurance or check stubs to prove my
15 income?

16 If I do not qualify for help when only \$20
17 dollars separate me from the low income
18 qualification table? And many more questions to
19 enumerate.

20 Thank you very much for listening to my
21 testimony.

22 ALJ SPRUCE: Thank you.

23 Okay. And the next person I see on the
24 list is Lisa Arkin. Okay. Perfect. If you
25 could --

1 MS. ARKIN: Thank you.

2 My name is Lisa Arkin, L-i-s-a A-r-k-i-n.

3 Thank you, Chair Decker and Commissioners
4 for the opportunity to testify.

5 First of all, I want to urge the
6 Commissioners to reject all points in Northwest
7 Natural's rate increase proposal.

8 Until about three years ago, I was a
9 Northwest Natural -- oh, excuse me, until about
10 three months ago I was a Northwest Natural Gas
11 customer. My gas furnace malfunctioned and
12 stopped working suddenly in the middle of
13 December. When the furnace servicing company came
14 out to see what was wrong, they said the furnace
15 had probably not worked very well for a long time.
16 This furnace was likely leaking low levels of
17 carbon monoxide and nitrogen dioxide in my home,
18 and that could have accounted for my sudden onset
19 of asthma about two weeks ago. So it was time for
20 a new furnace, but I did not want to put in a new
21 gas furnace. And I switched to an electric heat
22 pump, and now the air quality in my home is clean
23 and I have stopped coughing.

24 Burning fossil fuels in our homes is not an
25 amenity, as Northwest Natural would have us think,

1 it is a system that introduces high levels of
2 nitrogen dioxide, hydrocarbons and air toxics into
3 our homes where we live, sleep and raise our
4 families.

5 So I am here tonight to request that the
6 Commission reject this proposal to raise rates and
7 instead please build upon the direction you gave
8 Northwest Natural's integrated resource plan to
9 consider and incorporate electrification into the
10 utilities decarbonization strategy.

11 Northwest Natural's rate increase is meant
12 to expand their system and adopt risky schemes
13 that will not decarbonize their system as they
14 claim. For example, Northwest Natural falsely
15 claims that it can meet its decarbonization
16 obligations by adding hydrogen blending into the
17 natural gas system. These unproven resources are
18 not only expensive, they are dangerous. I'm glad
19 I'm no longer going to be a guinea pig for
20 Northwest Natural to test their scheme for
21 hydrogen blending into residential gas lines.

22 My 60 decade old home, with its old pipes
23 and fittings, would have been vulnerable to the
24 damage that hydrogen can cause to pipe
25 infrastructure. Hydrogen causes brittlization and

1 degradation of older pipes, which could lead to
2 disastrous leaks and explosions.

3 Please do not allow Northwest Natural to
4 saddle ratepayers with the cost of expanding their
5 gas system for decades to come when we must reject
6 more fossil fuels in our homes.

7 The testimony from contractors about housing
8 affordability is a red herring. My home is safer
9 and my bill for heated water and my living space
10 is cheaper than ever. I ask the Commissioners to
11 recognize and reject the false solutions touted by
12 Northwest Natural and instead move towards clean
13 electrification and a new era of energy
14 generation.

15 And I thank you for your work, and for
16 considering my testimony tonight.

17 ALJ SPRUCE: Thank you.

18 Okay, and the next person on the list is
19 Brian Stewart. Okay.

20 MR. STEWART: Hello. My name is Brian
21 Stewart, that's B-r-i-a-n S-t-e-w-a-r-t.

22 I am co-founder of Electrify Now. We're a
23 volunteer organization dedicated to promoting the
24 benefits of electrification to homeowners and
25 energy utility customers.

1 Chair Decker and Commissioners Tawney and
2 Perkins, thank you for the opportunity to testify.

3 In order to meet climate targets and ensure
4 we can continue to thrive here in Oregon, we need
5 to stop expanding the gas system and begin to
6 dismantle it, and this is because of the simple
7 reason that there is no viable method to
8 decarbonize the gas system. So the more we build,
9 the bigger the problems will be in the future.
10 This means ending line extension allowances and
11 subsidies for new gas connections, and carefully
12 scrutinizing any gas infrastructure investments
13 since these assets are certain to become stranded
14 assets as we shift our energy away from fossil
15 fuels.

16 Northwest Natural should be required to
17 invest in electrification and thermal energy
18 systems rather than continue to promote its
19 business model, which has -- although it's worked
20 for many years in the past, as we've heard from
21 the developers, it's out of sync with the future
22 needs of Oregonians, and even today's needs of
23 Oregonians.

24 Electrification has been widely researched
25 and supported by energy policy analysts as the

1 most cost effective decarbonization solution for
2 nearly every sector of our economy, and certainly
3 for housing and homes. Many home developers are
4 already building on electric because this creates
5 a high performing home with lower -- much lower
6 operating expenses.

7 The developers -- many of the developers
8 testifying tonight have reinforced this fact that
9 building homes all electric from the start is
10 lower cost, so the idea that, you know, ending
11 these line extension allowances somehow makes
12 homes more expensive is just completely not true.
13 If these homebuilders really want air polluting
14 and carbon polluting gas appliances in the homes
15 they build, they should not be subsidized to lower
16 the cost for gas hookups and appliances. Where do
17 those subsidies come from? They come from
18 ratepayers. CUB and others have shown that these
19 subsidies will not be recovered in the future.

20 Please reject Northwest Natural's proposal
21 to increase its ratepayer funded subsidies for new
22 gas connections and instead direct it to end these
23 subsidies which are not aligned with ratepayer
24 financial interests and Oregon climate goals.

25 Please build on the clear direction that you

1 gave in Northwest Natural's integrated resources
2 plan to appropriately consider and incorporate
3 electrification into the utilities decarbonization
4 strategy.

5 Thank you.

6 ALJ SPRUCE: Thank you.

7 Okay. Next on the list I see Bethany
8 Cotton.

9 MS. COTTON: Good evening.

10 For the record, my name is Bethany Cotton,
11 B-e-t-h-a-n-y, Cotton like the fabric, C-o-t-t-o-
12 n.

13 Chair Decker and Commissioners Tawney and
14 Perkins, thank you for the opportunity to comment.

15 I am a resident of Eugene and,
16 unfortunately, a Northwest Natural ratepayer. I
17 ask that you deny Northwest Natural's proposal.
18 As a ratepayer, I do not want my dollars to
19 further subsidize new hookups that wed us to a
20 fossil fuel proven toxic to our health and
21 climate, creating more expense in the coming years
22 when we inevitably electrify the grid.

23 As an environmental lawyer and an auntie to
24 two kiddos under three, I'm deeply concerned about
25 Northwest Natural's concerted efforts to undermine

1 necessary climate policies at the local, state and
2 federal levels. I'm likewise concerned about the
3 public health's impacts of gas. I'm working to
4 electrify my 111 year old home, an expensive
5 process because of the sunk cost into gas
6 appliances in my home when I purchased it, and the
7 total lack of incentives to improve efficiency via
8 weatherization or electrification available via
9 Northwest Natural.

10 Of note, despite contrary claims, the gas
11 furnace in my home did not provide resiliency
12 during the ice storm, and my new EWEB subsidized
13 heat hump hot water heater is far more efficient
14 than my gas hot water heater ever was.

15 In August, during a required test, a
16 Northwest Natural contractor discovered my meter
17 was slowly leaking gas on the side of my home by
18 my kitchen window. When asked when the company
19 would come to fix the leak, he shrugged and said,
20 "A week or six months." Six months passed, then I
21 received a letter saying they would come to
22 replace or repair the meter in March. March
23 passed with no visit. It took multiple calls and
24 e-mails, during one of which the Northwest Natural
25 staffer told me my work had been pushed to 2025,

1 and during all of which my concerns were
2 dismissed.

3 Then two missed appointments with no
4 communication before the company fixed what turned
5 out to be two leaks, eight months in.

6 During the same week, a four-foot saw blade
7 from a Northwest Natural contractor flew across a
8 parking lot in Eugene, nearly hitting a man, and
9 embedding into a small business's wall. This is
10 the company asking you to allow it to charge me
11 more to sell its dangerous product to new
12 customers to increase its profits.

13 Northwest Natural needs to focus on ensuring
14 its current infrastructure is safe for users, and
15 prioritize adopting actually proven techniques to
16 meet long-standing climate requirements.

17 Please order Northwest Natural to end
18 ratepayer subsidies for new hookups entirely, and
19 build on the clear direction you gave in Northwest
20 Natural's IRP to ensure its decarbonization
21 strategy incorporates electrification.

22 Thank you.

23 ALJ SPRUCE: Thank you.

24 Okay. And the next person I see on the list
25 is another of the Christie Collins folks, so I'm

1 going to allow you to talk and I'm going to ask
2 you to unmute. You should see that message, and I
3 will -- okay, thank you. I see you've unmuted.
4 If you could state and spell your name for the
5 record, then you may provide your comment.

6 MS. PALM: I'm Deanna Palm, D-e-a-n-n-a,
7 P-a-l-m. I'm President of the Washington County
8 Chamber of Commerce.

9 The Washington County Chamber strongly
10 supports Northwest Natural's line extension
11 allowance, which we believe is essential for
12 fostering economic development and enhancing
13 community well-being in our region, while focusing
14 on decarbonizing the energy system and protecting
15 resiliency for residents.

16 Washington County is a vibrant community
17 with growing residential and business needs.
18 Northwest Natural's innovative proposal to enable
19 the building community to affordably deliver
20 housing with resilient energy systems will
21 significantly benefit our local businesses by
22 providing residents with reliable, cost effective
23 energy options that are crucial for daily
24 operations and long-term planning.

25 This proposal is not merely an enhancement

1 of resiliency, it is an investment in the economic
2 foundation of our county. Moreover, this project
3 aligns with our commitment to sustainability and
4 responsible resource management. Natural gas
5 plays a pivotal role in our transitional energy
6 strategies, helping us balance growth with
7 environmental stewardship while ensuring that the
8 energy that residents depend on is available, even
9 during extreme weather.

10 By supporting this proposal, we are
11 endorsing a vision that promotes growth,
12 reliability and sustainability -- a vision that is
13 integral to the future of Washington County.

14 Therefore, I urge the Commission to consider
15 the substantial positive impacts this project will
16 have on our community and to approve Northwest
17 Natural's line extension allowance.

18 Thank you so much for your attention and
19 consideration.

20 ALJ SPRUCE: Okay. Thank you.

21 Okay, and the next person I see is Katherine
22 Backs.

23 MS. TURNER: Yes. Actually, this is Ann
24 Turner. My partner's name always appears on my
25 Zoom. And my name is spelled A-n-n T-u-r-n-e-r.

1 Chair Decker and Commissioners Tawney and
2 Perkins and Judge Spruce, thank you for the
3 opportunity to speak.

4 I'm a physician retired from a career in
5 community -- in a community health center caring
6 for farm workers, workers that are among the most
7 vulnerable to the devastating impacts of heat.

8 I now volunteer with Oregon Physicians for
9 Social Responsibilities Healthy Climate Action
10 Team. As such, I urge you to deny Northwest
11 Natural's request to increase its rates to rate-
12 payers.

13 Following the same playbook as the tobacco
14 industry, the fossil fuel industry, that is
15 Northwest Natural, continues to focus on three
16 main tactics: denial, delay and delude. They have
17 certainly been successful in deluding many in the
18 homebuilders industry.

19 Asking ratepayers to pay for subsidies for
20 gas connections in new buildings locks in burning
21 methane for the next 10 to 20 years. The climate
22 clock gives us less than seven years. We cannot
23 afford new fossil fuel infrastructure of any kind.
24 Methane warms our climate and pollutes our air,
25 both indoors and out.

1 In terms of delusions, Portland -- I mean,
2 the Public Utility Commission, sorry, has already
3 rejected Northwest Natural's IRP to plan to reduce
4 emissions by using renewable gas, RNG, and
5 hydrogen; both are false solutions. With RNG
6 mostly coming from factory farms and landfills,
7 industries we don't want to promote, and hydrogen
8 ignites more easily and is more explosive than
9 methane. It places lives at risk. Both are
10 enormously expensive, and neither are a climate
11 solution.

12 Requiring warning labels on and banning
13 advertising of tobacco products resulted in a drop
14 of tobacco use from 40% in the 1960s to about 12%
15 today. It's time to decrease the 40% of Oregon
16 households that heat their homes with gas to 12%
17 or less and support them in transitioning to more
18 efficient electric heat pumps, 300% more efficient
19 than gas furnaces, and also providing air
20 conditioning.

21 The Public Utility Commission can move us in
22 the right direction by denying Northwest Natural's
23 rate increase and ending ratepayer subsidies --
24 ratepayer funded subsidies for new gas connections
25 and incorporate electrification rather than RNG

1 and hydrogen into its strategy to reduce
2 greenhouse gas emissions to meet Oregon's climate
3 goals and to support affordability for
4 environmental justice communities by not
5 increasing rates.

6 Thank you so much for all you're doing and
7 the opportunity to comment this evening.

8 ALJ SPRUCE: Thank you.

9 Okay, and the next person I see on the list
10 is Linda Kelley.

11 MS. KELLEY: Chair Decker, Commissioner
12 Tawney, thank you for the opportunity to testify
13 today.

14 My name is Linda Kelley, K-e-l-l-e-y, and I
15 currently volunteer with 350 Eugene, whose focus
16 is on climate problems and solutions.

17 I have formerly worked with Bay Area Air
18 Quality Management District in their source
19 testing lab.

20 I'm testifying today to request the
21 Commission reject the utility's efforts to use
22 ratepayer dollars in support of their investments
23 in projects like renewable natural gas and green
24 hydrogen.

25 While there can be some very limited use for

1 these operations, they must not include any
2 expansion of the gas systems. Fossil fuel
3 investments are not in the public interest, and
4 the financial risk to ratepayers is quickly
5 becoming well recognized. The head of the EU
6 environmental agency, the European Central Bank
7 and our own US Treasury Secretary have all warned
8 of growing potential of systemic financial shock
9 due to unjustified valuations of fossil fuel stock
10 and the cost of disasters due to a rapidly
11 changing climate.

12 The fossil fuel industry, like all
13 businesses, must be able to adapt or perish in the
14 American economy. There are projects currently in
15 development and in operation repurposing gas lines
16 to carry geothermal energy in neighborhoods and
17 acting as conduit for some larger long-distance
18 electrical lines with the added benefits of
19 protection from forest fires are options.

20 Our building resilience bill package passed
21 in 2023 creates mandates and incentives for clean
22 sourced energy efficiency.

23 Meta and Google, who combine ambitious
24 climate commitments and ravenous demand for
25 electricity to run their data centers are

1 beginning to favor geothermal energy for safe,
2 base load, abundant electricity.

3 The climate mandate and financial
4 opportunities do exist. Please ensure that you
5 create rules that will further ensure that the
6 fossil fuel industry will leave behind a culture
7 of denial and move forward, and find a place in a
8 new clean energy economy. Please make sure that
9 the burden of this change does not fall on already
10 financially challenged Oregonians.

11 A few other things I need to say after
12 listening to the builders. One is, I was staying
13 at a friend's house -- I'm all electric and I have
14 a heat pump at this point -- I was staying at a
15 friend's house when they had a power outage. They
16 had a gas furnace. The gas furnace did not work
17 because most newer gas furnaces have electrical
18 starters. One piece.

19 The other piece I just have to say is, I
20 have a woodstove, and I have to say, a small wood
21 stove is an excellent solution for any
22 emergencies. We use it rarely, a number of times
23 a year in the winter, or in an emergency you can
24 cook on it, you can make hot water, you can heat
25 your home. It is another solution.

1 A few more things I wanted to say is --

2 ALJ SPRUCE: I'm so sorry to interrupt, I
3 just wanted to let you know --

4 MS. KELLEY: Am I over time?

5 ALJ SPRUCE: -- you are -- yes, you are
6 over three minutes, so if you want to just wrap
7 up --

8 MS. KELLEY: I'm --

9 ALJ SPRUCE: -- I appreciate it. Thank
10 you.

11 MS. KELLEY: I think I'm fine.

12 The only other thing I'd like to say is when
13 the homebuilders talk about options, I want people
14 to remember that our children need options for a
15 clean healthy future.

16 So, thank you so much for taking my
17 testimony.

18 ALJ SPRUCE: Thank you.

19 Okay. And the next person we have on the
20 list is Chloe Wilson.

21 MS. WILSON: Hello. Can you hear me?

22 ALJ SPRUCE: Yes, I can.

23 MS. WILSON: Okay. Thank you so much. My
24 name is spelled C-h-l-o-e W-i-l-s-o-n.

25 Hello, Chair Decker and Commissioners Tawney

1 and Perkins. My name is Chloe Wilson, and I'm
2 currently a representative of the Tigard Youth
3 Advisory Council, and I have worked formerly with
4 the Oregon Energy Trust in the building of -- in
5 the planning of buildings on my school campus.

6 As a resident of Tigard, I know that many
7 people are barely getting by with the way that
8 expenses are at this point in time.

9 Electrification remains a primary solution for
10 consumers in the most feasible way to meet the
11 state's decarbonization goal by 2035. Northwest
12 Natural's higher fixed charged on new single
13 family and multifamily occupants will burden new
14 homeowners with a charge they can do nothing
15 about. The company proposes to encourage
16 developers to install gas appliances through its
17 line extension subsidy while penalizing new
18 homeowners with a high fixed charge based on the
19 developer's subsidized decision to install gas
20 appliances that homeowners did not ask for.
21 Meanwhile, existing ratepayers are burdened with
22 the cost of the expanded gas system for decades to
23 come.

24 At this point, it is unsustainable to impose
25 green hydrogen upon consumers because of its high

1 energy consumption, loss of energy value, and low
2 cost effectiveness.

3 I'm concerned about the unrealistic and
4 misleading claims gas companies have been making
5 about the availability, costs, and benefits of
6 these renewable energies.

7 I really urge that the Commission take
8 account of the -- sorry -- I really urge that the
9 Commission will be skeptical of Northwest
10 Natural's plan to promote renewable natural gas in
11 the future. There are other options that we can
12 consider that will be a lot more cost effective
13 and more valuable in the future.

14 Thank you.

15 ALJ SPRUCE: Thank you.

16 Okay. And next on the list I see Kailani
17 Rue.

18 MS. RUE: Can you hear me?

19 ALJ SPRUCE: Yes.

20 MS. RUE: My name is Kailani Rue, K-a-i-l-
21 a-n-i and R-u-e.

22 Good evening Chair Decker, Judge Spruce and
23 Commissioners Tawney and Perkins. I greatly
24 appreciate this opportunity to testify today on
25 the matter of the Northwest Natural's flawed

1 position.

2 I am a member and representative of the
3 Tigard Youth Advisory Council as well, and we are
4 highly concerned about the potential passing of
5 this (*inaudible*).

6 Northwest Natural proposes to increase its
7 ratepayer funded subsidies for multiple new gas
8 connections. These are outdated, expensive and
9 climate damaging systems that must be rejected.

10 Northwest Natural has asked to increase its
11 return on equity, meaning more money will be --
12 sorry, I lost my train of thought there -- more
13 money will be going from the ratepayers' pockets
14 to the investors, partially because it recognizes
15 that the business model is out of sync with the
16 state climate policy, and is, therefore, highly
17 risky. Northwest Natural has not proposed any
18 steps to manage that risk by aligning its business
19 with state policy. If Northwest Natural is going
20 to charge more to customers strictly based off of
21 that risk, it must be required to invest in
22 electrification, which is the only plausible long-
23 term decarbonization strategy.

24 This proposal is highly risky and will only
25 damage our climate. Because of this, I ask that

1 you strongly reject this deeply flawed proposal.

2 Thank you.

3 ALJ SPRUCE: Thank you.

4 Okay. And the next person on the list is
5 Craig Schuck.

6 MR. SCHUCK: Hi, there. Good evening.

7 ALJ SPRUCE: Hi.

8 MR. SCHUCK: Okay.

9 ALJ SPRUCE: Sorry, please go ahead.

10 MR. SCHUCK: Yeah, that's fine.

11 My name is Craig Schuck, it's C-r-a-i-g
12 S-c-h-u-c-k.

13 And I'm a homebuilder in the Portland
14 Metropolitan area and have been for -- since 1989.

15 I don't want to repeat anything that any of
16 the other homebuilders said, so there's a couple
17 things I'd like you to think about, and one of
18 them is, is that homebuilders aren't here to
19 support Northwest Natural Gas -- and I do support
20 the proposed line extension allowance -- we're not
21 here to support it because of some kind of
22 collusion or relationship with Northwest Natural
23 Gas, we're here to support it because it works.
24 It's cost effective, and it's what the buyers
25 want.

1 Over the years I've looked at numbers of
2 different projects, and we have evaluated offering
3 consumers electric ranges, electric fireplaces,
4 and it's not -- some people do want it, that's
5 true, but the bulk of people do not want it. They
6 want to cook on natural gas. And we also use it
7 because it's more cost effective. If
8 electrification and electric appliances were as
9 cost effective as what you're hearing tonight,
10 builders would be using them en masse. We use
11 them because we have a housing crisis, we're under
12 a huge number of restrictions already, and so to
13 eliminate one of the choices that we have to
14 provide to customers would not be a good idea.
15 And I'm not saying -- and I know some of the
16 people here speaking tonight want it completely
17 eliminated, and that just doesn't make sense.

18 One of the men who was supporting it said we
19 need to gracefully age out, and that might be the
20 case over a long period of time, but the reason
21 that we enjoy some of the low energy prices that
22 we enjoy today is because of natural gas's
23 significant presence in our market along with
24 electric, and people have a choice. And that's --
25 if one of those options is gone, the other one is

1 surely to increase.

2 And so I guess that's all I have to say for
3 you tonight. Thank you very much for listening to
4 this, and have a good evening.

5 ALJ SPRUCE: Thank you.

6 Okay. The next person on the list is Silvia
7 Tanner.

8 MS. TANNER: Thank you.

9 For the record, I am Silvia Tanner, and my
10 name is spelled Silvia, S-i-l-v-i-a, last name
11 Tanner, T as in tango-a-n-n-e-r.

12 I'm a Senior Energy Policy and Legal Analyst
13 with Multnomah County's Office of Sustainability.

14 So now to my comments. Chair Decker,
15 Commissioners Perkins and Tawney, Northwest
16 Natural requests a residential rate increase of
17 17.8% on top of over 30% in Northwest Natural rate
18 increases since Octo -- sorry, since late 2022.
19 And this is in addition to any increases that we
20 might also see related to any adjustment
21 mechanisms for all of those known rate case
22 related increases that we might see during the
23 year.

24 And so that -- in light of the cumulative
25 impact of those increases, current and future, I

1 ask that you use your discretion to reduce
2 Northwest Natural's requested increase as much as
3 possible, while conserving community serving
4 aspects of the proposal.

5 Since this is a rate case and much could be
6 addressed through settlement among parties my
7 comments are also directed to Staff and to other
8 parties that might be listening today. As you
9 enter into settlement conversations for Staff and
10 parties, or as you review settlement agreements
11 for the Commissioners, I ask that you consider
12 impacts on customers, emphasizing and factoring
13 impacts on those most burdened and vulnerable to
14 this connection. I also ask that you consider our
15 environment and how issues impact environmental
16 justice communities.

17 Finally, I ask that you center energy
18 justice and energy justice voices from
19 intervenors, non-intervenors, and also from PUC
20 Staff as you go through this process.

21 Now to my specific recommendations. First,
22 I want to encourage you to reject the Company's
23 proposed return on equity. It is a significantly
24 higher rate of return on equity than the 9.5%
25 stipulated in the Avista rate case that you

1 approved less than a year ago. For that reason,
2 and given the high pressure that our community is
3 feeling, this is not the time for Northwest
4 Natural's requested increase in their return on
5 equity.

6 Second, I ask that you reject the Company's
7 proposal to first expand incentives for adding gas
8 infrastructure while also adopting a steep
9 increase in the fixed charge for new connections.
10 As Oregon and the region are pushing to build new
11 housing, Northwest Natural's proposals will first
12 bake infrastructure growth and increase emissions
13 or increase emission reduction requirements for
14 years to come. Meanwhile, the overwhelming
15 majority of people who will live in the house and
16 will not have a say on whether they heat with gas
17 or whether they heat with electricity, while
18 facing also the steep increase in the fixed
19 charge that the utility is proposing in its rate
20 case.

21 That fixed -- increased fixed charge
22 proposal also lacks an energy justice framework or
23 lens because it does not, for example, consider
24 energy burden. The proposal applies across the
25 board regardless of the customer income. And

1 while the Company does point to its two dollar
2 discount for multifamily owners, again this is a
3 discount that applies across the board, and
4 that's not been tailored or show an effort to
5 tailor its proposal to consider the needs of
6 energy justice community and energy burdened
7 communities.

8 And finally, we support an important
9 aspect of the Company's plans, which is its
10 proposed expansion to its low income customer
11 discount plan. However, I must emphasize that
12 we're disappointed that the Company decided to
13 include this in the rate case. This is a
14 decision that raises procedural equity concerns
15 because the rate case has limited space for non-
16 intervenor participation, and a lot of the
17 discussion can happen among entities with the
18 capacity and resources to intervene compared to
19 the more open process that the Company could have
20 used like the process that led to the
21 establishment of the discount programs in the
22 first place.

23 I thank you for the opportunity to comment.

24 ALJ SPRUCE: Thank you.

25 Okay, and next on the list I have Wendy

1 Woods.

2 MS. WOODS: Can you hear me?

3 ALJ SPRUCE: Yes, I can hear you.

4 MS. WOODS: Oh, good.

5 Good evening Chair Decker and Commissioners
6 Tawney and Perkins, my name is Wendy Woods, W-e-n-
7 d-y W-o-o-d-s.

8 I have a PhD in Aquatic Ecology. I'm
9 retired now, and I'm currently focusing on
10 solutions to global warming.

11 I oppose increasing costs to ratepayers for
12 Northwest Natural's false solutions such as bio-
13 gas, hydrogen blending and renewable gas. Why?
14 Natural gas is primarily methane, which is also
15 including a lot of toxins that increase the rates
16 of asthma in children and correlate with increased
17 rates of cancer, lung and heart disease. Use of
18 gas to cook and to heat homes is bad for public
19 health. So, it isn't safe for public health.

20 Second reason. Our area is known to be
21 subject to sizeable earthquakes, and these are
22 likely to rupture pipelines, causing explosions
23 and additional damage beyond the earthquake. So
24 gas is a safety issue.

25 Additionally, worldwide, scientists agree

1 that natural gas, which is a potent greenhouse
2 gas, is the most important lever that we have to
3 reduce global warming by preventing leaks in the
4 national distribution system. So we need to be
5 shutting down methane, not expanding it. And
6 Northwest Natural seems to ignore all of these
7 facts and just proceed as if nothing has changed,
8 as if there's no new information.

9 Also, I wanted to tell you, I'm a homeowner
10 who converted a gas powered home to all electric,
11 and in doing so -- and I also added energy
12 efficiency through quite a bit of insulation and
13 good windows, and I can testify to that reducing
14 my energy use by half with significant savings on
15 utilities, while improving the health and safety
16 in my home. And part of that savings comes from
17 the heat pump that I'm using to heat the home -- a
18 small heat pump does the whole home -- and also
19 from the heat pump water heater which is far more
20 efficient than any gas water heater you can get.

21 So what's needed to address the global
22 warming caused by methane and burning other fossil
23 fuels is a managed transition to electrification
24 of homes and buildings, and this should be
25 required of Northwest Natural if any rate increase

1 is granted.

2 Thank you for your consideration.

3 ALJ SPRUCE: Thank you.

4 Okay, and next on the list I see Maria
5 Hernandez. You can go ahead and unmute.

6 *(No audible response)*

7 ALJ SPRUCE: Okay.

8 MS. HERNANDEZ SEGOVIANO: Can you all hear
9 me?

10 ALJ SPRUCE: Yes.

11 MS. HERNANDEZ SEGOVIANO: Oh, one second.
12 I'm hearing double, so just bear with me.

13 ALJ SPRUCE: I was hearing it at first,
14 too, but the last time you were speaking it
15 sounded fine, so I think you're all right.

16 MS. HERNANDEZ SEGOVIANO: Okay. Do I sound
17 better?

18 *(No audible response)*

19 MS. HERNANDEZ SEGOVIANO: Okay. Perfect.
20 Hi. Thank you.

21 Thank you Chair Decker and Commissioners
22 Tawney and Perkins and the PUC.

23 For the record, my name is Maria Hernandez
24 Segoviano, that's spelled M-a-r-i-a H-e-r-n-a-n-
25 d-e-z, Segoviano, S-e-g-o-v-i-a-n-o.

1 I'm an environmental justice advocate, and
2 today I'm here to please urge you to reject
3 Northwest Natural rate proposal. More
4 importantly, I am urging you to reject all
5 components of Northwest Natural's proposal.

6 By this time, we all should know that in
7 order to meet state climate targets, we need to
8 reduce and eventually eliminate the use of natural
9 gas, which is composed of methane, a potent
10 greenhouse gas that's contributing to global
11 warming. We also know that farmland communities
12 are the ones who experience the worst and first
13 impact of climate change.

14 We don't have to look too far as we saw the
15 impacts this past winter storm had on our
16 communities. As a mom of a -- as you hear him in
17 the background -- as a mom of a brilliant almost
18 three year old who can identify when things smell
19 bad, I almost recently changed -- I most recently
20 changed from a gas stove to an electric one, and
21 my little one now doesn't say it smells bad. And,
22 no, it was not my cooking that smelled bad. Turns
23 out I had a small leak of gas coming through my
24 stove.

25 While I am still a Northwest Natural

1 customer, it is my role to fight for a better,
2 healthier world where communities are fairly
3 treated -- where we are fairly treated and where
4 my son can feel safe at his own home.

5 I am troubled to see Northwest Natural and
6 ultimately all utilities constantly putting
7 profits over people in which this attempt to
8 expand subsidies for growing its system and its
9 profits at the expense of customers who cannot
10 afford it. And Northwest Natural is only --
11 Northwest Natural is only bringing us backwards.

12 We need more stability and resiliency. It
13 is -- if this increase is approved, an average
14 Northwest Natural home could pay an amount of
15 \$1,122.82 in 2025 at more than 50% since 2020,
16 according to some statistics. Northwest Natural's
17 case for increasing ratepayer funded subsidies
18 from many new gas connections is, again, a step
19 backwards to our goals of a healthy, thriving,
20 resilient community.

21 To this date, I question the value of
22 service I get when I look on my Northwest Natural
23 utility bill. In the past few years, all I have
24 seen is more costly gas bills, more stories of
25 people in my community who have to make the hard

1 decision between staying warm during cold winters
2 and having food at their table for their family
3 and so much more.

4 It is important that the PUC looks at the
5 performance of this utility and ties the rates of
6 how utilities deliver services, but most
7 importantly take a look at our future and the
8 future of our kids and children in moving forward,
9 and also consider the fact that farmland
10 environmental justice communities are yet again
11 being the ones overburdened by those utilities
12 proposing new gas connections to help meet goals
13 to cut climate warming emissions and boost
14 resiliency, which it really, in return, means they
15 are requesting higher rates.

16 I concur with many folks who have to share
17 their -- who have already shared their testimony,
18 and I agree that there needs to be a stop on this
19 proposal, and we have to look for ways to make the
20 system stable and resilient. What Northwest
21 Natural is proposing is far too outdated, it is
22 costing communities way too much money, it is
23 causing -- it is causing unhealthy choices, and is
24 ultimately continuing to damage our climate. But
25 most importantly, again, as a mom, I want to make

1 sure that my kid is able to live in a world where
2 we're not actually going backwards, but we instead
3 are continuing to move forward.

4 Thank you so much.

5 ALJ SPRUCE: Thank you.

6 Okay, next on the list is Anne Pernick.

7 MS. PERNICK: Hi. Can you hear me all
8 right?

9 ALJ SPRUCE: Yes.

10 Ms. PERNICK: Thank you Chair Decker,
11 Commissioner Tawney, Commissioner Perkins, Judge
12 Spruce and Staff for the opportunity to testify
13 today.

14 My name is Anne Pernick, and that's spelled
15 A-n-n-e, and then last name is P-e-r-n-i-c-k.

16 And I am with SAFE Cities at Stand.Earth.

17 I am testifying today to request that the
18 Commission reject the utility's efforts to
19 increase its ratepayer funded subsidies for many
20 new gas connections, and instead order it to end
21 these outdated, expensive and climate damaging
22 subsidies.

23 Please build on the clear direction that you
24 gave in Northwest Natural's integrated resource
25 plan to appropriately consider and incorporate

1 electrification into the utility's decarbonization
2 strategy.

3 In terms of customers' bills, climate,
4 health and safety, it is time to move our
5 buildings off fossil fuels. Like many people
6 giving testimony tonight, I'm an advocate and a
7 parent. Gas leaks at the school itself or in the
8 neighborhood have been an issue at both elementary
9 and middle school for my child. Like several
10 people, I used to have a gas furnace, it did not
11 provide heat during power outages. And we don't
12 need methane gas in order to have backup power for
13 our homes.

14 Please reject the utility's efforts to
15 increase its ratepayer subsidies -- or ratepayer
16 funded subsidies.

17 Thank you very much.

18 ALJ SPRUCE: Thank you.

19 Okay, next I see Bill Krasnogorov, and I am
20 so sorry if I've mispronounced that.

21 MR. KRASNOGOROV: Good evening. My name is
22 Bill Krasnogorov, spelled B-i-l-l K-r-a-s-n-o-g-o-
23 r-o-v.

24 I want to thank Chair Decker and
25 Commissioner Tawney and Commissioner Perkins for

1 taking your time to hear and be able to understand
2 the community when it comes to energy usage.

3 I'm a builder and developer. I'm on the
4 Board of Directors at the Home Building
5 Association, really a professional in the home
6 building industry. I focus on both custom
7 building and entry level homes that were made
8 possible by the newly adopted middle housing code,
9 so I see the wide spectrum of housing that is much
10 needed in our area.

11 Today I want to really speak and focus on
12 the Northwest Natural line extension allowance.
13 I'm a huge advocate for the freedom to choose the
14 energy source that's available to us. Those that
15 want to choose to be all electric are always free
16 to do so. Why limit the majority of our
17 customers' options to select a dual fuel?

18 Natural gas is the quickest and most
19 efficient way to heat water, homes, and cooking
20 energy source. The flame in the home has been an
21 important and the most efficient way to produce
22 heat. There is a lot of noise when it comes to
23 emissions and clean energy. Many forget that PGE
24 is the largest consumer of natural gas. People
25 that believe going all electric is a more

1 environmentally friendly option are simply
2 forgetting how most of the electric energy is
3 produced. Many of those that understand energy
4 usage and its availability tend to be
5 professionals in the development and building
6 industry. It is no secret that the hybrid energy
7 home is the most efficient home. A hundred
8 percent of our consumers choose to go dual fuel or
9 energy source when it is available.

10 I'd like to remind us all that natural
11 disasters are the largest cause of carbon
12 emissions, not the responsible use of natural
13 energy provided by Northwest Natural.

14 When it comes to reliability and resiliency,
15 as a parent, I want to make sure that in times of
16 extreme weather I am able to be equipped with the
17 most reliable energy source for the basic
18 necessities of heating and cooling.

19 I am very thankful to Northwest Natural for
20 taking care of our region's energy needs and
21 providing the reliability necessary for our
22 survival and comfort. Unfortunately, those that
23 are most vulnerable are the ones who tend to be
24 the most affected during outages because they
25 simply could not afford a more reliable energy

1 source.

2 That said, I would like to voice my support
3 for the line extension allowance proposed by
4 Northwest Natural.

5 Thank you.

6 ALJ SPRUCE: Thank you.

7 Okay. And next on the list we have Alan
8 Journet.

9 MR. JOURNET: Hello.

10 ALJ SPRUCE: Hi.

11 MR. JOURNET: My name is Alan Journet,
12 A-l-a-n J-o-u-r-n-e-t.

13 Chair Decker and members of the Public
14 Utilities Commission, thank you for the
15 opportunity to testify.

16 Following a career of teaching biology at
17 Southeast Missouri State University, I have
18 relocated to Southern Oregon and co-founded and
19 now serve as co-facilitator of Southern Oregon
20 Climate Action Now. I testify today on behalf of
21 SOCAN, an organization of over 2,000 rural
22 Southern Oregonians who are concerned about the
23 climate crisis.

24 Although we do not live in the franchise
25 area of Northwest Natural, we suspect that a

1 successful application from this utility would
2 lead to an application from our gas utility,
3 Avista. I offer a brief summary of written
4 testimony submitted yesterday.

5 SOCAN activists have been engaged with the
6 statewide climate activist coalition since our
7 establishment a dozen years ago. Throughout that
8 period, we have been repeatedly disappointed by
9 the actions of Oregon's gas utilities in
10 campaigning time and again to defeat legislative
11 efforts to establish a trajectory of reducing
12 greenhouse gas emissions that would put our state
13 in the mainstream of jurisdictions addressing the
14 climate crisis.

15 More recently, this disappointment has been
16 reinforced by their effort to undermine the DEQ
17 Climate Protection Program, despite their serving
18 on rulemaking advisory committee that helped
19 develop it. We are left to conclude that these
20 utilities are not acting in good faith when it
21 comes to doing their share to lower statewide
22 greenhouse gas emissions.

23 This disappointment has been extended by the
24 Northwest Natural rate hike request that seeks a
25 hike to generate increased profits, expand rather

1 than contract their gas distribution network, and
2 support a marketing campaign that has both
3 historically and recently been a perfect example
4 of marketing through misinformation and
5 disinformation about RNG and hydrogen, for
6 example. And we've heard exactly the same
7 misinformation and disinformation from several of
8 the builders testifying today.

9 We urge the PUC to reject this egregious
10 request to require Northwest Natural customers to
11 foot the bill for their business commitment to
12 undermining the health of users of its product and
13 compromising the ongoing viability of life on the
14 planet as we know it.

15 If we collectively are to turn the tide on
16 the climate crisis, we have to stand up to the
17 fossil fuel interests that consistently and
18 unapologetically make matters worse. Please stand
19 up for health and life.

20 Thank you very much.

21 ALJ SPRUCE: Thank you.

22 Okay. Next I see Representative -- oh, it's
23 -- I'm sorry, it starts to cut off --
24 Representative Mark, and then I'm just going to
25 hit -- allow you to talk -- Mark Gamba. Sorry

1 about that. You may unmute. Thank you.

2 MR. GAMBA: Good evening, Chair Decker,
3 Commissioners Tawney and Perkins. Thank you for
4 the opportunity to testify today.

5 My name is Mark Gamba, M-a-r-k G-a-m-b-a.

6 And I have served as a City of Milwaukie
7 Planning Commissioner, city councilor, and two
8 terms as the Mayor. I currently serve that
9 district as its state representative.

10 Many cities in this state, including
11 Milwaukie, have done the important work of
12 creating climate action plans in order to help
13 stop the most devastating crisis humanity has ever
14 faced. In most of those plans, reducing methane
15 emissions is one of the many critical steps.
16 However, cities fail to achieve any movement in
17 that direction due to state preemptions and the
18 litigious nature of the industry.

19 One of the first steps that many cities
20 consider is to cause all new development to be
21 fully electric. A major hurdle to those efforts
22 is the fact that current Northwest Natural
23 ratepayers unknowingly subsidize line extensions,
24 making it cheaper and more attractive to
25 developers, which allows them to maximize their

1 profits since they will charge what the market
2 will bear, regardless of the costs.

3 A prudent step in considering any rate
4 increases requested by Northwest Natural would be
5 to disallow this behavior, thereby reducing cost
6 to ratepayers and assisting cities in their
7 efforts to decarbonize their energy mix.

8 It also increases safety by reducing the
9 opportunity for catastrophic explosions and
10 subjects fewer people to the well studied
11 detrimental health effects due to dangerous indoor
12 air quality by cooking with a gas stove creates.

13 I currently serve on the Climate Energy and
14 Environment Committee, as well as serving as the
15 vice-chair of Housing and Homelessness. From both
16 perspectives of safe and affordable housing and
17 rapid reduction of raw methane in the atmosphere,
18 it is very clear that it's time to stop
19 subsidizing this industry. Please build on the
20 clear direction that you gave Northwest Natural's
21 integrated resource plan to appropriately
22 consider incorporating -- to incorporating
23 electrification into the utility's decarbonization
24 strategy.

25 Northwest Natural has been green washing its

1 industry by talking about green hydrogen and
2 renewable natural gas for quite some time now. I
3 strongly support collecting and utilizing all
4 methane produced by landfills, sewage treatment
5 plants, dairies, et cetera. I also strongly
6 believe that investments should be made in green
7 hydrogen, as both an energy storage choice and to
8 replace methane in industrial and transportation
9 forms that are difficult to electrify.

10 These fuels will have a role in
11 decarbonizing hard to electrify sectors, but
12 should not be used in homes and buildings that can
13 be easily converted to run on renewable
14 electricity.

15 I do not believe ratepayers should be on the
16 hook for costly investments and fuels like
17 biomethane and green hydrogen. That's what
18 investors are for, to supply necessary capital to
19 shift business model in order to preserve
20 viability of said business, at least that's what
21 it should -- that's -- that's what their purpose
22 should be.

23 The bottom line is that given that raw
24 methane is 86 times more potent than CO₂ in
25 warming our climate, we should be moving to reduce

1 fossil methane use to near zero in our lifetimes.
2 Continuing to allow an industry from the past to
3 damage our futures while impoverishing our
4 residents is clearly not in our state's best
5 interest.

6 Thank you for your time and consideration.

7 ALJ SPRUCE: Thank you.

8 Okay, and next on the list I see Jeff Kugel.

9 MR. KUGEL: Yeah. Hi, there. Can you hear
10 me?

11 ALJ SPRUCE: Yes.

12 MR. KUGEL: Yeah. My name's Jeff Kugel,
13 J-e-f-f K-u-g-e-l.

14 I work as a Director of Power Supply for
15 PNGC Power, which is one of Oregon's only
16 generation insurance mission cooperatives, so
17 we're like REI for electricity, I like to say.
18 And we represent roughly four percent of the
19 Oregon retail load in the state. And we kind of
20 have a different flavor when we look at the -- you
21 know -- we're going to comment on the line load --
22 or the line extension allowance, sorry, and we're
23 in favor of that.

24 We have considerable resource adequacy
25 problems. Obviously the variable (*indiscernible*)

1 resources that are carbon free are exactly that,
2 variable. We -- many folks have referenced the
3 winter storm in January, and we were importing
4 into this region over 5,000 megawatts over that
5 five-day period every hour of every day. So -- so
6 we are already very concerned with being able to
7 meet the load that we already have hooked up on
8 the system.

9 And so I just want to point that out that,
10 you know, we need to work together on this thing,
11 and we're not at a point, at least from the
12 electrical standpoint, that we're able to -- to
13 load switch all this gas. And so, you know, one
14 of the commenters was saying we have to do it
15 quickly, but, you know, we have to do it reliably
16 and working together with the gas system, and the
17 line extension allowance really -- really allows
18 the gas and electric sectors to take a
19 comprehensive look at how to meet the energy needs
20 in the most cost effective way.

21 And that may not -- that -- you know, that
22 may mean we need gas in times of our greatest
23 need. And -- and one of the -- one of the line
24 extension allowance, it allows for high efficiency
25 heat pumps, which is -- is a great thing.

1 But, yeah, we just want to encourage to look
2 at facts and look at what we have going on right
3 now and what we're capable of doing.

4 And we need to work together. And the line
5 extension allowance really is just maybe too early
6 to cut off, and we would support keeping it there.

7 And that's all I have. Thank you for
8 listening. Appreciate it.

9 ALJ SPRUCE: Thank you.

10 Okay, and next we have Eli Spevak. And,
11 again, I apologize if I -- if I have mispronounced
12 that.

13 MR. SPEVAK: Judge Spruce, Chair Decker and
14 Commissioners of the PUC, my name's Eli Spevak.
15 You came close. It's E-l-i S-p-e-v as in Victor-
16 a-k.

17 I've been a homebuilder since 2006, and I
18 recommend that the Commission reject the line
19 extension allowance proposed by Northwest
20 Natural.

21 Through my company, Orange Splat, LLC, I've
22 built nearly 100 homes. In early homes, I put gas
23 tankless water heaters in pretty commonly for in-
24 floor radiant heat, but for the last 40 plus homes
25 I've built, they've been all electric. And the 15

1 I'm building right now are all electric as well.

2 I build homes primarily, but not
3 exclusively, for moderate income first time home
4 buyers. What my customers want are low utility
5 bills, they want cooling, they want healthy homes
6 for their families, and those that care about the
7 climate want to live their values. Electric homes
8 provide exactly what they're looking for.

9 I'm friends with some folks I've put gas
10 systems in years ago, and I kind of feel bad for
11 them because as many of you know, I mean, the
12 price of gas went up 42% in 18 months, and
13 although electric bills are climbing as well,
14 they're not going up as fast as gas. And I feel
15 that if you have a gas home, you're kind of
16 trapped in a cycle where stranded costs can end up
17 being your costs.

18 Picking interior finishes for homes last
19 year, I just looked up what my peers are building
20 in the local market, I toured five in-field
21 developments by other people, one of them had gas,
22 all the others were all electric.

23 More recently, I did that about a month ago,
24 picked four different projects by peer builders,
25 every one of them was all electric. The market is

1 already going there for entry level homes.

2 So, as you know, efficient gas water heaters
3 and furnaces require electricity to run, but
4 efficient only gets you to 90% -- maybe up closer
5 to -- in the 90s, somewhere in there for gas
6 appliances. With heat pumps, electric ducted or
7 mini-split or heat pump water heaters, you're at
8 300%. You can get there only with electricity.
9 So in theory, gas could be used for heat pumps,
10 but as you know, that's not been a promise that's
11 proved out. And even if it did, it would be more
12 expensive.

13 In terms of generating electricity, sure
14 maybe half of the electricity generated from
15 nonrenewable sources, but that's changing quickly
16 because the cheapest new power supplies are wind
17 and solar.

18 For the climate, consumer electric bills and
19 people's health, and to avoid burdening gas
20 customers with stranded costs, we should be
21 trimming our gas system, not providing financial
22 tools to expand it.

23 And I will say that I'm not -- I'm
24 associated with the Portland HBA, but I will
25 volunteer that if you're in the Portland area this

1 weekend, come check out HBA's Homes of Tomorrow
2 Today tour to check out some just built electric
3 homes in person. If you stop by say hi.

4 Thank you.

5 ALJ SPRUCE: Thank you.

6 Okay. And next I see another one of our
7 Christie Collins folks. I'm going to hit "allow
8 you to talk," ask you to unmute, and hopefully you
9 get that notice telling you that you should unmute
10 and it's your turn to speak.

11 *(No audible response)*

12 ALJ SPRUCE: Okay. I'm going to give one
13 more second to see if you're able to unmute.

14 Okay. What I'm going to do is circle back around
15 to you -- oops, apologies. Okay. Now, I'm going
16 to hit "ask to unmute." And if you receive that,
17 you can go ahead and unmute. Okay. It looks like
18 you're unmuted, but I'm not hearing you speak, so
19 I just wanted to --

20 MR. HESLAM: Oh --

21 ALJ SPRUCE: -- check to make sure.

22 MR. HESLAM: Sure. Can you hear me now?

23 ALJ SPRUCE: Yes.

24 MR. HESLAM: Great.

25 ALJ SPRUCE: Okay.

1 MR. HESLAM: Chair Decker and Commissioners
2 Perkins and Tawney, my name is David Heslam. For
3 the record, that's spelled D-a-v-i-d H-e-s-l-a-m.

4 My regular day job, I am the Executive
5 Director of Earth Advantage, a 501(c)(3) nonprofit
6 based in Oregon. I am a past builder here in
7 Oregon.

8 I'm also a policy committee member at the
9 Zero Coalition organization of nonprofits, local
10 governments, construction related businesses
11 working on decarbonizing the built environment
12 here in Oregon.

13 And two years ago I spent eight or nine
14 months, was it, on the Resilient Buildings Task
15 Force for Oregon, which was a legislatively led
16 task force that looked at how we could have
17 policies over the coming years in Oregon to both
18 make our buildings more resilient, but also more
19 efficient and decarbonize to not only address
20 carbon mitigation, but also how we were going to
21 adapt to things like the storms that people have
22 been talking about that we suffered through in
23 January.

24 And that task force -- I just want to speak
25 to that because to me that's been the most in-

1 depth conversation that I've known of that is
2 addressing all these issues, and we analyze many,
3 many different types of policies that could be
4 brought forward. Members of the gas industry were
5 there, homebuilders were there, and during that
6 entire conversation, there was a lot of discussion
7 about the future of gas and that -- whether or not
8 the gas system could actually be decarbonized over
9 the long-haul and, therefore, be something that we
10 could depend on after the transition period that
11 people have been mentioning.

12 The math never really seemed to pencil out
13 that there was enough resource, actually, to
14 reclaim in Oregon to meet the future need that was
15 being proposed. Therefore, I will just say, you
16 know, what I came away with after all those
17 discussions was we can really only decarbonize one
18 of our grids, and that would be the electric grid,
19 and that whatever amount of decarbonized gas is
20 still available once that is fully decarbonized,
21 that's probably just going to be used by industry.
22 It's going to be way too expensive from the
23 economic analysis we saw to actually be a part of
24 the system that's feeding buildings.

25 So, I'm here to recommend that both the line

1 extension allowance modification that Northwest
2 Natural's asking for be rejected, and, you know,
3 also, you know, the higher rate of return, as was
4 mentioned by earlier testimony, does seem out of
5 place at the moment, given that we are trying to
6 reduce the cost of housing and the expenses
7 related to housing today.

8 So, the only other thing in my maybe 10
9 seconds I have left to point out is that change is
10 hard, and we're in a state where there's a lot of
11 change. Not the state of Oregon, the state of the
12 world, like, where there is a lot of change that's
13 going on. I do not underestimate that the change
14 is hard for everybody involved, including for
15 folks that are learning how to build buildings
16 differently.

17 We've heard from folks who want to stay,
18 we've heard from folks who say that homeowners
19 still want to keep having the same things they've
20 always had, but it's hard for everybody involved
21 and I do think everybody has to lean into it
22 because if we're going to get one of these systems
23 decarbonized, it's going to take everybody putting
24 everything they have into it.

25 Thank you very much for your time.

1 I appreciate it.

2 ALJ SPRUCE: Okay. Thank you.

3 All right. And we have another Christie
4 Collins. I have asked you to unmute. Hopefully
5 you saw the message. If so, go ahead and unmute.
6 Great.

7 MR. SALINGER: Yeah. I'm seeing the
8 unmute, but I'm not part of the Christie Collins
9 thing, so --

10 ALJ SPRUCE: Unfortunately, you're just --
11 your display name is Christie Collins.

12 MR. SALINGER: Okay.

13 ALJ SPRUCE: I had an issue with one of the
14 links. So, if you could go ahead and just state
15 and spell your name for the record, and then you
16 can provide your comment.

17 MR. SALINGER: Great. Thanks.

18 So, my name is Josh Salinger, so J-o-s-h
19 S-a-l-i-n-g-e-r.

20 And I'm a builder in Portland, Oregon,
21 Birdsmouth Design-Build is our company, been in
22 business about 15 years.

23 And Chair Decker, Judge Spruce,
24 Commissioners Tawney and Perkins, I'd just like to
25 take this -- I'm testifying today to request that

1 the Commission request the utility's efforts to
2 use ratepayer dollars in support of their
3 investments and false solutions like renewable
4 natural gas and green hydrogen, and mitigate the
5 risks to ratepayers from continued expansion of
6 the gas system.

7 I, you know, heard a bunch of things about
8 resiliency, and I kinda wanted to speak to that,
9 just listening to some of the comments. The last
10 house we built had solar and storage on it, and
11 the January ice storm knocked out power, and those
12 clients didn't even notice that their power went
13 out. In fact, their -- they stayed completely
14 comfortable and had access to all of their
15 energy. And we did that through electrification
16 of the home and reducing the energy consumption of
17 the home through really good enclosure. And we've
18 been doing this for 15 years. We haven't
19 installed gas in our homes for 15 years, our
20 company has been very successful for it. We can
21 provide very healthy indoor air quality for our
22 clients.

23 And I argue that once you make the change to
24 building like this, it just becomes building, and
25 it becomes the norm, and, you know, it's really

1 not any more expensive. In fact, we enjoy not
2 having to pay to have the gas line brought into
3 our projects.

4 So back to the resiliency thing, you know,
5 it worked great in the ice storm, but I'd like to
6 point out that there's also summer. And we had a
7 heat dome a few years back, it was 116 degrees
8 here in Portland, Oregon, and these -- natural gas
9 can't keep you cool, whereas heat pumps can. And
10 so electrification is actually much more resilient
11 than natural gas because we're missing half the
12 equation.

13 And if you have an elderly parent or an
14 older person or someone that is on the front line,
15 communities that can't handle that heat in their
16 homes, this is a way to make these buildings
17 survivable.

18 So, with the introduction of renewables and
19 storage, we can actually reduce the use -- the
20 electrical usage through energy conservation
21 building enclosures, and we can make homes
22 healthier and much more resilient.

23 So anyways, wanted to point that out and
24 thank you for the opportunity to comment.

25 ALJ SPRUCE: Thank you.

1 And then the last person I see in the queue
2 is -- appears as Oregon PSR. Oh, so I'm going to
3 hit "allow to talk," and then -- there you go. If
4 you could go ahead and state and spell your name
5 for the record, and then you may provide your
6 comment.

7 MS. HERNANDEZ: Yes. Good afternoon
8 Commission -- or, I guess, good night.

9 My name is Samantha Hernandez, S-a-m-a-n-t-
10 h-a H-e-r-n-a-n-d-e-z.

11 And I am the Healthy Climate Program
12 Director at Oregon Physicians for Social
13 Responsibility. We are an organization of over
14 2,000 health professionals and public health
15 advocates. We're working to address the gravest
16 threats to health and survival, and we are here
17 today urging the Commission to reject Northwest
18 Natural's general rate revision.

19 Last month was Earth's warmest March on
20 record, making it the 10th month in a row to set a
21 global heat record. We are living in
22 unprecedented times of financial hardship due to
23 record high inflation and the economic
24 consequences of the ongoing Covid-19 pandemic.

25 Approving this rate case increase would

1 impact energy burdened households the most.
2 Higher rates means families will have less money
3 to purchase goods required for health such as
4 adequate shelter, healthy food and medical care.
5 Now is not the time to be expanding gas subsidies
6 that will hurt people's pockets and their health.

7 Northwest Natural is proposing to increase
8 the subsidy to up to \$3,600 per hookup, which
9 could cost customers tens of millions per year,
10 and this is not affordable at all.

11 Moreover, gas appliances generate a number
12 of harmful air pollutants including nitrogen
13 dioxide, carbon monoxide and formaldehyde both
14 indoors and outdoors that have been linked to a
15 variety of serious health harms.

16 Burning hydrogen gas in buildings, a false
17 solution Northwest Natural is relying on, also
18 creates air pollution that contributes to asthma,
19 heart disease and premature deaths.

20 Natural gas is not a reliable source of
21 energy, as others have claimed. In extreme cold,
22 gas pipelines and powerplants are failing to
23 deliver when they're most needed. There's a
24 common myth that gas appliances are better because
25 they keep working when the lights go out. While

1 natural gas can still flow into a home during a
2 blackout, many appliances still require power to
3 operate. And moreover, several studies have shown
4 that all electric new homes save costs both up-
5 front and over time. Mixed fuel homes, for
6 example, in both Seattle and Spokane cost more
7 than -- \$7,200 more to build than all electric
8 homes.

9 Oregon PSR strongly urges the Commission to
10 reject Northwest Natural's rate increase.

11 And thank you so much for the opportunity to
12 testify.

13 ALJ SPRUCE: Thank you.

14 Okay. So I see we have two more folks who
15 joined the queue. This is going to be the last
16 two, and I'm sorry for anybody else who was hoping
17 to jump on, but we do have to -- to start wrapping
18 things up.

19 But just as a reminder for folks, though, if
20 you did not get an opportunity to comment tonight,
21 you may still submit written comments. And you
22 can find more information on that on our website.

23 So, I'm going to go ahead and call Tom
24 Walter. You may unmute.

25 MR. WALTER: Okay. Can you hear me?

1 ALJ SPRUCE: Yes.

2 MR. WALTER: All right. Well, thank you
3 very much, Commissioners.

4 Tom Walter, T-o-m W-a-l-t-e-r.

5 I'm a builder out of Eugene. I've been a
6 part of developing in the Eugene area for over 30
7 years.

8 First, I'd like to say that of all the
9 utilities that I deal with when we try to develop,
10 Northwest Natural has been an excellent partner
11 for how we do things. It's really challenging in
12 our community to work with both the local agencies
13 and the state agencies and the other utility
14 companies, but Northwest Natural is simply the
15 easiest to work with of any -- of any -- of people
16 we have to collaborate when we put together
17 subdivisions. So, it's just interesting, they
18 make it -- they make it -- they make it easy.
19 They've been a good partner. And I'm a believer
20 in clean gas. Of all the fossil fuels that burn,
21 natural gas burns far cleaner than anything.

22 And we have a -- we have a problem providing
23 enough energy for our requirements, and our
24 population is growing rapidly in the Northwest,
25 and we just don't have the ability to get off of

1 using natural gas to create electricity. So you
2 can either create energy in the home like we do
3 with -- we heat water or we heat air or have a gas
4 fireplace that does run when the power goes out,
5 gas cooking does work when the power goes out.

6 The energy that we need to run the Northwest
7 is tied to natural gas. If we electrify our
8 homes, we're going to be burning gas in the
9 powerplants to generate electricity so we can have
10 electrified homes. There's just no way around
11 that.

12 So I like to give my customers the option
13 for what to put in. We're currently building in
14 an area where we have power outages all the time.
15 We put natural gas generators in every house we
16 build so that people can stay in their homes when
17 we have -- you know, when the wind blows or it
18 gets real cold.

19 And so anyway, I'm a -- I'm a big fan of
20 line extensions. I'm a big -- a big fan of what
21 Northwest Natural gas has done for my company over
22 all the years.

23 And I also believe that gas is vilified --
24 natural gas is vilified like the other fossil
25 fuels were, you know, coal and the gasoline we

1 burn in our cars produces all sorts of nasty crap,
2 but the stuff that I use to heat my home produces
3 very little in terms of emissions.

4 So that's all I had to say. But thank you
5 very much.

6 ALJ SPRUCE: Thank you.

7 Okay, and then finally we have Ruth Dallas.
8 You may unmute.

9 MS. DALLAS: Hi. My name is Ruth Dallas,
10 R-u-t-h D-a-l-l-a-s.

11 I call to ask the Commissioners to please
12 reject Northwest Natural rate increase. I can't
13 help wonder why so many builders are on this call
14 and wonder why they're touting everything that
15 Northwest Natural gas already says, most of it
16 which is inaccurate or outright lies.

17 I wonder if these same builders would still
18 support gas appliances if one of their own
19 children developed asthma. Gas appliances in the
20 home increase the development of asthma in
21 children significantly. This is not a trivial
22 disease. As a nurse, I can tell you a parent
23 running to the emergency room with a child who
24 can't breathe is a nightmare. The least Northwest
25 Natural could do, if they are actually concerned

1 about their customers, is to have every gas
2 appliance have a label saying that it is dangerous
3 for children and may produce asthma. It is
4 dangerous for anyone who already has asthma and
5 will increase asthma attacks.

6 I also wonder if these same builders would
7 be able to look their children in the eye when
8 finally they accept that methane, which the UN has
9 said is our most important emission to control if
10 we are going to get -- reduce climate change in
11 the next 25 years. Will they look their children
12 in the eyes as adults when their summers are all
13 116 degrees, when there's forest fires and grass
14 fires everywhere, when we can't breathe the air,
15 when there's floods and storms of every kind.

16 We're seeing climate change happen, just as
17 the scientists said it would, and we need to
18 change. As one of the speakers said, change is
19 hard. Your job is hard. I know a lot of people,
20 they love their gas stoves, but if they knew how
21 dangerous they were, I don't think they would love
22 them so much.

23 And for a few days when your electricity
24 might go out -- it's happened to me, it's no fun.
25 So what? Would I -- would I change that for

1 climate change or for the health of myself or my
2 children? I think that's a crazy thing that
3 anybody would do.

4 So, before Northwest Natural asks for a rate
5 increase, ask them to label every gas appliance
6 with its risk for asthma and respiratory problems,
7 and to label every gas home to let people know,
8 because I don't want to see young families move
9 into a home only to later find out their child
10 developed asthma because of that home.

11 I really appreciate your work you do, and I
12 know this must be awful to sit all night and
13 listen to all of us, but we appreciate it. And I
14 hope you will listen to all of us who are really
15 concerned, and not the people who are touting what
16 Northwest Natural has to say.

17 Thank you.

18 ALJ SPRUCE: Thank you.

19 All right. So that's everyone we have for
20 comment tonight. I want to thank everyone for
21 providing comments.

22 As I just said earlier, I'd like to remind
23 everyone that you still may submit written
24 comments by mail or by e-mail to the Commission or
25 by calling the Consumer Service division. The

1 details for how to submit comments are included in
2 the notice for this hearing and on the
3 Commission's website.

4 I will now turn it back over to Chair Decker
5 for any closing remarks.

6 CHAIR DECKER: I appreciate everyone coming
7 tonight. We heard quite a range of perspectives,
8 and that is great fodder for the deliberative
9 process that we undertake in reviewing rate
10 requests. Everyone, we appreciate your patience
11 and we hope you have a great rest of your night.

12 ALJ SPRUCE: Okay. Thank you all.

13 Again, I want to reiterate I really
14 appreciate everyone bearing with us while we had
15 the technical difficulties earlier in the evening.

16 This concludes the public comment hearing
17 for Northwest Natural Gas Company in UG 490.

18 And, Cheryl, you can end the meeting when
19 you are ready.

20 **(End of Proceedings)**

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STATE OF OREGON)
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COUNTY OF Linn)

I, Jean Mueller, a Court Transcriber for the State of Oregon, do hereby certify that I transcribed the audio proceedings had upon the public comment hearing of this cause, previously captioned herein; that I thereafter had reduced by typewriting the foregoing transcript; and that the foregoing transcript constitutes a full, true, and accurate record of the proceedings had upon the hearing of said cause, and of the whole thereof.

Dated: May 9, 2024.



Jean Mueller
Court Transcriber
541-259-1139