



RE: UE 426 - General comments from non-intervenor, EJ advocates, with support from intervenors

This document outlines our comments following the 4/15/2024 IPC EJ Workshop. We offer our positions on the following components of the general rate case (UE 426).

- Proposed Interim Low Income Bill Discount Program
- Low Income Bill Discount Cost Recovery
- Arrearage Management, Weatherization, and Energy Efficiency Bundling with Low Income Discount Program
- Weatherization and Energy Efficiency
- Basic Charge
- Return on Equity
- Rates

We also would like to be clear about the position we offer these comments from. We are unable to offer flushed out, detailed positions. Unlike the majority of parties to this case, we do not have resources to offer economic positions—we do not all have economists or attorneys at our quick disposal. Even with best efforts by all involved—for which we are extremely grateful to Staff for their efforts in this process and ongoing support from CEP and CUB—there remain high barriers for participation. Overall, there is a limited level of procedural equity currently in place.

Unfortunately, there were still barriers to entry for the 4/15/24 EJ Workshop. That being said, we appreciated the openness, and transparency of this process. The Company was able to have an interactive discussion, which we found useful in the beginning to understand some of the intricacies of the case (revenue requirement, basic charges etc). The decisions in these cases, which seem to be made rather quickly, are important, life altering decisions which impact the communities who we represent.

We would like to emphasize the need for this process to better achieve tangible procedural equity that can actually be felt by non-intervenors. We look forward to helping ensure that happens. Until the day comes when we can operate in a more equitable regulatory space, we hope that our feedback here will be used constructively and parties to the case will use this document to inform more resourced proposals. Please do not forget that we have expertise, it just looks and sounds different from yours.

Proposed Interim Low Income Bill Discount Program:

We do not support the Company's current discount structure because we find the maximum 60% discount is too low. At this time, unfortunately we are unable to provide an alternative tiered

structure. We do not have the resources or capacity to do so and were anticipating Company responses to our questions which we sent to them on Friday, 4/12/24.

Relatedly, we are concerned with the energy burden calculation eligibility requirement. This is especially so in the context of no clear pathway for outreach and targeting of the program by the Company, to the ~30% of Oregon IPC customers who are believed to have an energy burden of 6% or higher. We understand the intention to want to assist those with the most energy burden—and in fact many of us advocated for this in UM 2211. However, without targeted outreach goals and program enrollment targets that are required to be met at different times in the first year of this interim program, we are concerned that this program will have low enrollment; despite the fact that many of the Company's Oregon customers could surely benefit from bill discount assistance (i.e. the majority of the Company's Oregon territory is low income). We hope that any proposals brought forward by parties to this case related to the low income bill discount program will ensure there are targets the Company must meet related to its outreach and its enrollment for this interim program. This includes expanding the number of CBOs, local governments, school-districts, library districts, and other community serving groups they connect with and inform. Understanding what outreach and marketing look like is a really important part of this interim program. It is hard to fully assess the program without understanding the makeup of these plans. In that vein, because this is an interim program that is being flushed out in a GRC, we want to ensure that any agreements with the Company regarding this program require the Company to collaborate with stakeholders on the program's assessments, refinements or any changes to it.

There should be higher cost recovery from commercial and industrial customers for the low income bill discount proposal and we believe it is fair for the large capacity users to equally share the costs of Idaho Power's energy assistance offerings for those in need. While not residential, these businesses and industries operate within the communities of people who are struggling to pay their bills and keep their lights, air conditioning and heat on. Not to mention, some of these commercial and industrial customers—likely many of them—are putting increasing strain on the grid that is shared by residential customers. If residential customers who do not need or who do not qualify for the low income bill discount program are expected to help recover costs for this program, we think it is reasonable to request commercial and industrial customers with more access to financial resources do the same.

We have some additional concerns with the proposed low income discount program's general features.

- We do not understand why a customer applicant needs to have 12 months of billing history with Idaho Power in order to qualify for the low income discount program. Does this mean that new customers in new builds (such as new affordable housing) will not be able to qualify for the program even if they meet the other outlined qualifications? Pending a clear and reasonable explanation, we do not agree with this feature.
- We are concerned about the every 2 year re-enrollment feature proposed. We saw what happened when Medicaid enrollment was altered and a lot of people in need were

negatively impacted. We do not agree with this aspect of the proposal and are worried about people navigating the process and being informed timely and properly that their discounts will be shut off until they reapply. How can the Company show that this piece is necessary to the program? How does the Company plan to communicate and assist customers in reapplying if this feature is kept?

- Limiting enrollment to account holders does not consider the realities of multi-generational, immigrant, non-English speaking households. This feature could be a barrier to enrollment. For example, we are thinking of English speaking children who often have to act as translators for their parents and grandparents regarding crucial aspects of household functioning. How can the Company ensure these qualifying homes can access the discount program?
- We have ongoing concerns around the necessity of the 3% post enrollment verification and how this feature could harm customers.

Arrearage Management, Energy Efficiency, and Weatherization Bundling with Low Income Discount Program:

A bill discount program is crucial, needed and overdue, but without attention to arrearages and weatherization/energy efficiency, a bill discount program can only do so much to address energy burden alone. We know that ~55.4% of the Company's low income customers in their Oregon territory are considered to have "high efficiency potential."¹ In the context of the bill discount program, there needs to be more attention to the reality of arrearages in the Company's Oregon territory—as well as attention to the fact that according to the LINA, there is a large majority of Oregon customers who are high energy users likely living in homes that require weatherization and other energy efficiency upgrades. Thus, we would really appreciate and recommend any proposals toward bundling these components for customers who need it.

We need certainty that any programming in this realm (including the low income bill discount program) is accessible, and enrollment information also be provided in languages other than English. This includes mindfulness around:

- *Renters*: ~37% of energy assistance need for the Company's Oregon territory is among renters²
- *Seasonal workers and farm workers*: there are an estimated ~9,126 people in Malheur County who are farmworkers or their dependents, which is nearly 1/3 of the County population.³ Moreover there are at least 4 Indigenous languages spoken by farmworkers in Malheur County—Akateko, Cora, Mixteco, and Trique⁴

¹ <https://edocs.puc.state.or.us/efdocs/HAH/um2211hah143035.pdf> Idaho Power Low Income Needs Assessment (LINA) 2023, p.20

² <https://edocs.puc.state.or.us/efdocs/HAH/um2211hah143035.pdf> Idaho Power Low Income Needs Assessment (LINA) 2023, p.18

³ https://www.ohdc.org/uploads/1/1/2/4/11243168/ohdc_farmworker_needs_assessment_2022.pdf OHDC 2022 Farmworker Needs Assessment, Appendix G

⁴ https://www.ohdc.org/uploads/1/1/2/4/11243168/ohdc_farmworker_needs_assessment_2022.pdf OHDC 2022 Farmworker Needs Assessment, Appendix B

- *Undocumented or non-citizen customers*: at least 20% of Malheur County’s Latine population are not citizens⁵

For example, the Company’s application processes should not require entering a social security number; customers who speak Spanish or languages other than English should not meet additional barriers to learn about programs or to enroll; and there should be incentives for landlords/property owners to invest in upgrades that would benefit them and their tenants—without pricing tenants out of their homes.

Priority Rate Case Components Impacting Monthly Bills:

We are concerned with the magnitude of bill impacts in the Company’s proposal. We think that parties should put more significance on the potential rate shock to residential customers. We struggle to understand how cramming 11 years of rate increases into customer bills, essentially overnight, in our current economy, is just or reasonable.

As one IPC customer noted in the in-person public hearing for this case, *“Idaho Power makes money [...] They make a profit every year [...] I don’t make a profit every year, neither do these folks, they make a living. There’s a big difference.”*⁶

Please remember that the Company’s Oregon territory is generally low income. Many of these households are also high energy users. These factors combine to make it extremely difficult for a customer with these realities to “respond to price signals.” In many cases “responding to price signals” means not having any power, accumulating arrearages, navigating reconnection fees, and facing increasingly uncomfortable housing conditions, which are a threat to human and animal health, thanks to inefficient and drafty homes.

Return on Equity and Revenue Requirement:

While we do not have specific positions on elements of revenue requirement at this time, we think it is important to consider the actual dollar impacts to customer monthly bills when determining if revenue requirements in the case are “just and reasonable”. Given our limitations to have flushed out economic positions, we support Staff’s opening testimony position of a 9.3% ROE but would be more satisfied with 9.1% or 9.2% given the customer realities in the Company’s Oregon territory. We would like to be clear that we hope the Company and parties to the case will do what is possible to limit the overall residential bill impacts of this rate case on residential customers.

Basic Charge

⁵ https://www.ohdc.org/uploads/1/1/2/4/11243168/ohdc_farmworker_needs_assessment_2022.pdf OHDC 2022 Farmworker Needs Assessment, Appendix G

⁶ <https://edocs.puc.state.or.us/efdocs/HTE/ue426hte327617054.pdf> Transcript from March 20, 2024 Public Hearing

We really appreciated the dialogue from Staff explaining the interaction between the basic charge and volumetric, per kWh charges. We found Bret from Staff in particular to be very helpful in understanding this piece.

Our takeaway from the conversation on increasing the basic charge is that there are still limitations to being able to really know how an increased charge from \$8 to \$10 or \$8 to \$15 will impact different categories of residential customers. Given this, we would reiterate that we hope parties to the case will do what is possible to limit the overall bill increases for residential customers. If there is going to be an increased basic charge, we wonder if a simple bill insert explaining the basic charge's interaction with volumetric charges could be helpful education to customers as to avoid any worry they may experience when seeing a higher basic charge on their bills.

Weatherization and Energy Efficiency:

We were really disappointed to learn about the amount of money that was collected in base rates for low income weatherization that was not actually utilized for these crucial projects. Given these years of underperformance, and the \$186,506 that is otherwise unaccounted for, we would like to see the Company come before the Commission to explain this and potentially face future limitations on revenues. Moreover, we do not understand why it is that the Company limits their rollovers to \$22,500 each year, and how that is just and reasonable in the context of (1) the deep need for low-income weatherization in their Oregon territory and (2) the majority of their residential customers being low-income. In light of this discovery, the Company should not authorize any revenues on behalf of low-income weatherization or energy efficiency programming that are not spent on low-income weatherization and energy efficiency. We feel the Company is obligated to spend \$186,506 prior to any further collections from customers in these realms.

If the energy efficiency rider is utilized, as was discussed as a possibility in the 4/15/24 EJ workshop, we want to ensure that the Company is also required to meet certain low-income energy efficiency standards. We would rely on the expertise of CEP, CUB and Staff to propose what these standards might look like to best assist the low income customers in the Company's Oregon territory. But we think it would make sense to set targets around certain percentages of dedicated energy efficiency money for low income residential households, the number of low income households served, and potentially getting more granular to address households who reside in mobile and manufactured homes. It would also be helpful to know how many households in the Company's Oregon territory are in need of whole-home repairs in order to even access weatherization and other efficiency measures. Perhaps there is a way to tie in a requirement for the Company to conduct a study regarding health and safety measures needed to implement energy efficiency improvements for their Oregon customers.

Additionally, we reiterate that in this case we also would like the Company to first spend \$186,506 before they collect additional money from customers in this rider. Lastly, we are curious about the level of support that energy efficiency for other customer classes seem to

receive via the Company's cohort model outlined in their Annual Demand Side Management Report in UM 1710⁷. We would like for parties to explore the feasibility and efficacy of something like this for residential customer class.

We would really like to see stronger partnerships between the Company and the CAP agencies they work with. We also feel that not having these CAP agencies present in this EJ process was a loss to the process overall. We would like to see a more concerted effort to make this space accessible to those service providers in the near future, as their feedback is critical to informing best practices for delivery of energy assistance services in Idaho Power's service territory. Relatedly, we hope to see more concrete plans from the Company outlining their outreach plans to local CBOs.

We would like to see the Company be required to include an Oregon based representative, preferably from an environmental justice community in their service territory, participate on their EEAG.

Conclusion:

Thank you for all of the efforts from Staff and the Company to provide spaces for environmental justice advocates to not only express our concerns around this case, but to begin to better understand the regulatory process and some of its nuances. We hope that the learnings here were bidirectional, and that non environmental justice advocates have also learned a great deal from us in this process.

We would like to reiterate that there is still work to be done in making these spaces actually accessible and highlight that our voices are critical to these conversations and decisions—especially in the context of rising economic inequality, the energy transition, and the climate crisis. Unfortunately, having a seat at the table does not automatically equate to procedural justice.

We are grateful to those in this process who have helped us to navigate its complexities and barriers. We look forward to working with other Oregon environmental justice advocates and community members, CAP agencies, Staff, and Oregon Utilities to improve this process.

Sincerely,

/s/ Anahi Segovia Rodriguez
Energy Justice Coordinator
Verde

/s/ Alma Pinto
Energy Justice Policy Associate
NW Energy Coalition

⁷ <https://edocs.puc.state.or.us/efdocs/HAD/um1710had327752024.pdf>

Community Energy Project (CEP) and Oregon Citizens' Utility Board (CUB), as intervenors engaged in the parallel EJ process within UE 426, sign on in support of the aforementioned comments.

/s/ Siraat Younas
Climate Justice Associate
Community Energy Project

/s/ Sarah Wochele
Policy Associate
Oregon Citizens' Utility Board