

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

Docket Nos. UM 2211 & ADV 1373

In the Matter of
NW Natural
HB 2475 Differential Rates Implementation

Comments of
NW Energy Coalition

NWEC and the Community Energy Project (CEP) appreciate the opportunity to provide comments on NW Natural’s Arrearage Management Program Proposal.

At the outset, we express our appreciation for NW Natural’s efforts towards enhancing its arrearage management program proposal. We would also like to note that we recognize that the dollar amount that NW Natural is requesting for its program is not insignificant and will likely help those in need of this assistance during the interim. Additionally, we commend NW Natural for its extensive community outreach plan and partnering with many different organizations to extend its reach.

Our comments are divided into two parts: the first being questions and clarifications regarding the proposed Low-Income Instant Grant Option (LIIGO), and the second regarding addressing energy burden.

NWN natural is proposing to make available all of its original arrearage management options that were put into place in May 2021 in response to assuaging further impacts of Covid-19 on customers’ ability to pay for and receive NW Natural’s service. These options include:

1. Instant Grant Option of up to \$300 for a residential customer with a smaller past due or full balance who expresses economic hardship.
2. A 50/50 Matching Grant Option of up to \$600 matching grant applied as a credit on a residential customer’s account to eliminate a past due or full balance.
3. A Time Payment Arrangement (TPA) with Matching Grant Option of up to a \$1,200 grant. An option that offers a TPA to a residential customer who then receives a matching grant payment to reduce their past due balance each time their own monthly TPA payment posts.

Residential customers can participate in and combine any of these options up to a maximum contribution from the Program of up to \$1,200. These options can also be bundled with other energy assistance programs such as GAP, OLGA, and LIHEAP.

1. Low-Income Instant Grant Option (LIIGO)

NWN proposes enhancing its instant grant option—an arrearage management option that was originally put in place in response to Covid-19—by making it available to those deemed “low-income,” and allocating an additional \$750,000 of the total requested \$3.1 million to this enhanced program. NWEC and CEP would appreciate further clarification regarding the following questions:

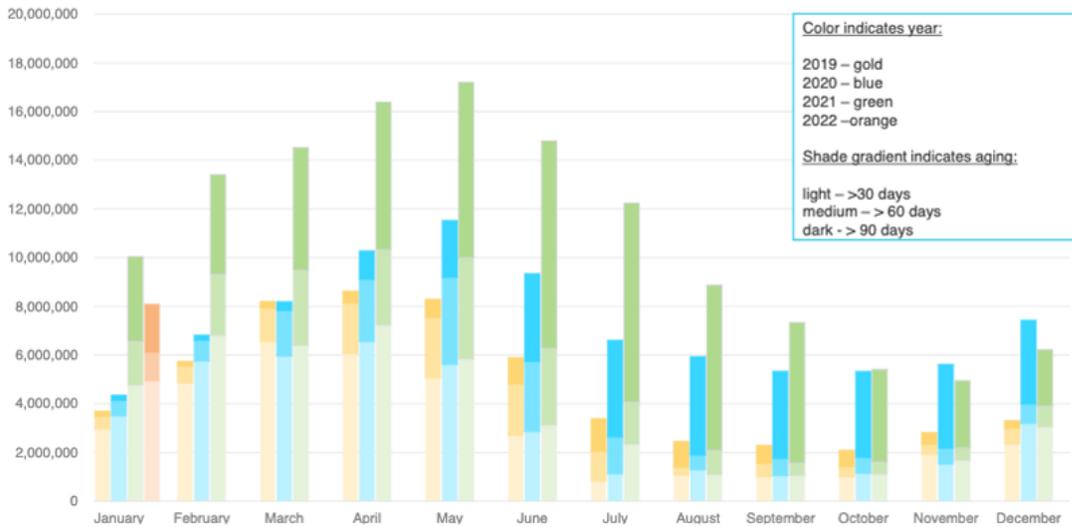
1. Will the amount in the proposed LIIGO be set at \$300 like the original instant grant option?
2. Will folks who have taken advantage of LIIGO (or any other option or combination of options) during the 2021 iteration of the AMP be given a renewed balance? Phrased differently, will they be allowed to receive assistance from the interim program as if they had not received any AMP assistance yet? Essentially allowing them access to \$1,200 of AMP assistance as offered through the interim Program?
3. Considering that the instant grant option is what has helped most customers of NW Natural, what is the analysis behind allocating only \$750,000 of the \$3.1 million requested funds to this portion of the Program?
4. Will the requested funding of \$3.1 million be specifically directed towards the interim Program and used only for this AMP Program? Or will it be rolled over into other programs such as the low-income bill discount program that will be put in place for the next heating season?

We would also like to flag that without more data on arrearage trends for this year, it is difficult to discern whether the proposed Program will effectively provide proper assistance to those who need it. We do not intend to say that the proposal should not be accepted; however, revisiting its impact in or around May of 2022 may be proper so that we can analyze whether the additional funds are having the intended impacts. To further elaborate, we know from NW Natural's data that there was a significant spike in 30-day arrearages, a slight increase in 60-day arrearages, and a slight decrease in 90-day arrearages in January 2022 as compared to December 2021. We are not concerned with the spike in 30-day arrearages as a large number of 30-day arrearages tend to be remediated. We would, however, be concerned if there are spikes in 60 and 90-day arrearages even with the enhanced Program in place. Such an occurrence would then be ripe for re-visitation. See NW Natural Arrearage Activity chart below.

Arrearage Activity



2019-2022 Residential Arrearages by Aging - Oregon



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2. Energy Burden

We commend NW Natural for its effort in putting this Program in place for the interim and recognize that it is a good first step towards implementing the intent of HB 2475. The Program, however, does not directly address remediating energy burden as called for in HB 2475. For the interim and moving forward, one way that NW Natural can do this is to tie enrollment in the proposed Program to access to weatherization services. We hope NW Natural seriously considers adding this to their proposed AMP Program’s framework.

In addition, NW Natural should ensure that as they develop their low-income bill discount program, that they do so in a way that directly addresses reducing its customer’s energy burden as stated in HB 2475. We would appreciate seeing the statistics that will support this analysis.

In sum, NWECE and CEP think that NW Natural’s proposed Program is a great start to implementing HB 2475; however, further analysis should be made to design a program that directly addresses reducing energy burden and sufficiently meets the intent of HB 2475.

This concludes NWECE and CEP’s comments. We look forward to further discussion and development of NW Natural’s implementation of HB 2475.

Respectfully Submitted,

/s/

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