

June 01, 2023

Oregon Public Utility Commission (PUC)

Via e-mail only to: [PUC.FILINGCENTER@puc.oregon.gov](mailto:PUC.FILINGCENTER@puc.oregon.gov)

RE: LC 79 Northwest Natural, 2022 Integrated Resource Plan

Small Business Utility Advocates appreciate the opportunity to offer the following public comment in LC 79 Northwest Natural's 2022 Integrated Resource Plan ("IRP") . SBUA supports the following recommendations: #5, #6, & #7 where such recommendations will assist in assessing the needs and demands of the small commercial sector in planning. In #5, SBUA recommends specific focus on small commercial RS 03. In #6, SBUA notes the Energy Trust expending only 75% of its budget per its Annual Report and hopes to see planning to ensure more engagement with these customers. In #7, SBUA agrees generally with prioritizing community climate investments (CCI) as least cost and least risk in planning.

SBUA participated somewhat in Commission docket UM 2178 Natural Gas Fact Finding and fully in the UG 435 NW Natural rate case. This participation has helped shape and inform our engagement regarding the NW Natural's IRP as we await per Order No. 22-388<sup>1</sup>, a cost study analysis of rate schedule 3 to be performed by NW Natural. SBUA notes the lesser coverage of NW Natural IRP to examine small commercial customers such as restaurants and hospitality industries that rely heavily on the use of natural gas for purposes other than space heating and water heating such as cooking and food manufacturing. That topic is covered only briefly in page C-4 under residential and commercial buildings regarding the electrification cost modeling section in the Synapse Report<sup>2</sup>. SBUA is concerned that the planning and the Staff Report may not be including the costs of electrification more in-depth regarding different usages of natural gas besides space and water heating in commercial buildings. This is important where food manufacturing was reported as Northwest Natural second largest load in a 2014 chart within the report on page C-6.

Staff notes that policy and market trends signify a need to understand the impact, costs, and benefits of electrification and its effects on Northwest Natural and ratepayer costs. SBUA agrees with this and suggests that a more granular review of the small commercial sector is important in analyzing costs and benefits for the transition process for this large ratepayer group. For example, it appears that the Synapse Report does not include costs that would be incurred for upgrading to electrical service for the older buildings occupied by small commercial tenants such

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<sup>1</sup> Order No. 22-388; Appendix A Page 1: <https://apps.puc.state.or.us/orders/2022ords/22-388.pdf>

<sup>2</sup> NW Natural's IRP Synapse Report: [https://www.synapse-energy.com/sites/default/files/22-066%20Final%20Expert%20Report%20on%20NW%20IRP%20March%202023%20\\_pdf%20version.pdf](https://www.synapse-energy.com/sites/default/files/22-066%20Final%20Expert%20Report%20on%20NW%20IRP%20March%202023%20_pdf%20version.pdf)

as restaurants that would require rigorous upgrades to service panels and running new wiring to support connections for new electrical equipment.

Respectfully Submitted,



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