



The League of Women Voters of Oregon is a 102-year-old grassroots nonpartisan political organization that encourages informed and active participation in government. We envision informed Oregonians participating in a fully accessible, responsive, and transparent government to achieve the common good. LWVOR Legislative Action is based on advocacy positions formed through studies and member consensus. The League never supports or opposes any candidate or political party.

June 2, 2022

To: Public Utility Commission of Oregon
Docket: UM 2178
PUC.PublicComments@puc.oregon.gov, Kim.Herb@puc.oregon.gov

Re: Comments for Natural Gas Fact Finding Draft Report

The League of Women Voters believes that climate change is a serious threat facing our nation and planet. The League believes that an interrelated approach to combating climate change—including through energy conservation, air pollution controls, building resilience, and promotion of renewable resources—is necessary to protect public health and defend the overall integrity of the global ecosystem.

Thank you for the opportunity to provide comments to the Public Utilities Commission (PUC) during the public review period for the [Natural Gas Fact Finding Draft Report](#) dated April 15, 2022 (the Report). Because similar material is sometimes included in multiple sections, we have opted not to provide explicit references.

A League member participated in the development of the Climate Protection Program (CPP), and testimony was submitted on behalf of the League of Women Voters of Oregon (LWVOR) after several of the Rulemaking Advisory Committee (RAC) meetings. The same League member has also been participating in the Integrated Resource Plan (IRP) working group meetings for the two major natural gas (NG) utilities and the two major electricity utilities.

We have appreciated the public outreach that the PUC has made and the response to stakeholder inputs evident in the document. We are impressed with the care taken to understand the ramifications and nuances of the increased regulation of greenhouse gas emissions (GHG) since the previous IRPs were adopted, with the major provisions of the CPP already in effect.

We are concerned that this document is still in draft form while all three NG utilities are well into the process of developing their 2022 or 2023 IRPs. There are references in the document to “next IRP,” which is ambiguous. In addition, it is acknowledged that additional work is required by the utilities and the PUC. We sympathize with the PUC’s concern that the results of the scenario modeling by the three NG utilities were completely different. Therefore, the PUC should include a section stating what they expect to be incorporated in the IRPs under development and what can be deferred to their 2024 or 2025 IRPs. We do agree that flexibility will be required in meeting the 2035 CPP target of 50% reduction below the 2017-2019 baseline.

We are glad to see the report recognizes that by keeping the NG IRPs separate from those of the electricity utilities there is no current mechanism to “balance the various technologies, cost, and regulatory risks associated with meeting the state’s GHG emission targets.” The

PUC indicates that they have the authority to develop regulatory tools to optimize across the energy system, but it would require “an unprecedented degree of internal and external coordination and **additional resources**.” The PUC has taken one step by including Appendix B with “IRP Guidance” containing possible changes to future IRPs to be considered by the Commission “potentially in the future”.

We appreciate that the Report discusses issues such as the effect of spreading the fixed natural gas costs over fewer customers, but also includes concerns about the availability of sufficient renewable alternatives to fossil NG to meet the CPP targets. They mention the potential cost from not meeting the targets; the penalties were deliberately set to apply to each metric ton of excess CO₂ equivalent emissions in order to try to force compliance.

In Appendix B we were interested to see the statement “Account for biogenic CO₂ from RNG.” under the category of “Cost and Risks.” This is not discussed anywhere else in the Report but could significantly increase the likelihood of non-compliance. In addition, we have wondered why the Clean Fuels Program takes lifecycle emissions into account while the CPP did not. A leaked molecule of methane has the same negative effect on climate change whether it is from fossil or renewable NG.

During the development of the CPP it was decided that NG from the utilities would be regulated at the utility not at the stationary source using the gas. LWVOR submitted [testimony](#) after the first RAC meeting requesting that both process and combustion emissions be regulated at the stationary source. A major concern is that the utilities must account for their “transport” NG, which is gas bought from another supplier and delivered using the utility’s pipeline, but over which they have no control at either end. We suggest that PUC request that the Department of Environmental Quality (DEQ) modify the CPP at least for transport gas. Stationary sources are regulated for NG not received from one of the utilities.

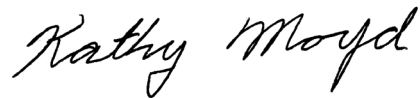
Thank you again for the opportunity to provide these comments. We look forward to seeing the final Report.



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