

July 27, 2021

Kim Herb JP Batmale Oregon Public Utility Commission 201 High St. SE, Suite 100 Salem, OR 97301-3398

Sent via email to <u>kim.herb@puc.oregon.gov</u>; <u>jp.batmale@puc.oregon.gov</u>

## **RE: Natural Gas Fact Finding (UM 2178)**

Dear Ms. Herb and Mr. Batmale,

Columbia Riverkeeper (Riverkeeper), Breach Collective, Sierra Club, and the Power Past Fracked Coalition thank you for beginning an investigation into potential impacts from the changes that may arise for the fracked gas industry, gas utilities, and ratepayers as the Department of Environmental Quality's (DEQ) Climate Protection Program (CPP) takes shape. We are deeply concerned, however, that the scope of the PUC's investigation is unduly narrow and that the Oregon Public Utilities Commission (OPUC) risks building its future decision-making on a limited foundation of facts, without considering important changes that will occur economy-wide to address the deepening climate emergency.

Riverkeeper urges the OPUC to take a step back and to consider broader factors that will impact ratepayers as our economy begins to shift away from the combustion of fossil fuels altogether, diminishing the role of fracked gas and other forms of methane in our energy system. We support the comments made in writing by the Green Energy Institute, Electrify Now, and many others as well as comments made during the fact-finding meeting on July 20th that urged the PUC to take a deeper look at how gas utilities and ratepayers would be impacted by negative growth in the gas industry, and broader trends towards electrification of buildings and infrastructure in our communities. Without a reconsideration of the purpose and scope of the fact-finding process, we are concerned that the PUC will miss real, anticipated impacts to gas utilities and ratepayers, and will thus miss the mark in aligning with Executive Order 20-04. We

ask that the PUC consider experiences from other states where electrification is proceeding, including studies that show the importance of, and options for, transitioning from gas to more electrification.<sup>1</sup>

Most of the gas supply in the Northwest comes from fracking, and we strongly believe that all fossil forms of gas have no place in Oregon's energy future. We would also argue that RNG, methanated hydrogen, or other gas-burning fuel applications should not be used as a pathway to lock-in or expand our gas infrastructure, which will predominantly carry fracked, fossil gas. We should not aggrandize the potential of RNG or other forms of hydrogen and gas to replace fossil gas, or mitigate its impacts. The PUC should accurately weigh the risks and benefits of transitioning away from gas infrastructure where possible, rather than propping up the industry with gas derived often from unsustainable sources, such as confined animal feeding operations or landfills. Rather, the PUC should model negative growth for the gas industry, and gas utilities specifically. Anticipating these impacts is critical for developing strategies to protect vulnerable ratepayers in frontline communities. The PUC must take into account all information available, including studies that highlight the strong likelihood that electrification will continue and deepen across multiple sectors of the economy, in evaluating risks to communities linked to the fracked gas system

Upcoming decisions by the PUC, and the fact-finding that supports them, should reflect the immediacy and the urgency of addressing the climate crisis. Oregon has experienced dramatic climate disruption impacts in recent months and years. The drought across Oregon, catastrophic wildfires across the state, and other extreme weather events will continue to put pressure on our economy to decarbonize, with a necessary transition away from gas use. The scenarios that the PUC develops should align with Oregon's economy-wide goals for limiting the impacts of climate change and the state's contribution to climate-changing pollution and its co-pollution impacts, particularly in BIPOC, lower-income, rural, and other frontline communities.

Finally, we have concerns that public participation in the PUC's fact-finding process has been more stilted and inaccessible than originally anticipated. It is difficult for members of the public to understand and engage in PUC processes, which are often technical and addressed in formal settings that feel unwelcoming to new participants. We had hoped that this fact-finding effort would be a more open format, but the last meeting was far less participatory than the PUC may have intended. We urge PUC staff to find ways to open up the format, including allowing more active participation during meetings, as the process moves forward.

<sup>&</sup>lt;sup>1</sup> See e.g., Ong, Mastrandrea, and Wara, *The Costs of Building Decarbonization Policy Proposals for California Natural Gas Ratepayers: Identifying Cost-Effective Paths to a Zero Carbon Building Fleet*, Stanford Woods Institute for the Environment (June 2021).

Thank you for opening this process, and we hope the PUC will think more deeply about using this opportunity to begin planning for diminishing use of fracked gas.

Sincerely,

Dan Serres, Conservation Director, Columbia Riverkeeper, on behalf of the Power Past Fracked Gas Coalition

Nick Caleb, Climate and Energy Attorney, Breach Collective

Dylan Plummer, Senior Campaign Representative, Building Electrification at Sierra Club

Allie Rosenbluth, Campaigns Director, Rogue Climate