



# Oregon

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**Public Utility Commission**

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## **HB 2475 Funding Update and Invitation to Groups to Submit HB 2475 Pre-Certification Funding Requests**

On February 7, 2023, the Oregon Public Utility Commission (PUC) approved a comprehensive funding agreement for “Justice Communities,” or groups representing environmental justice communities and low-income customers in the service territories of Portland General Electric Company (PGE), PacifiCorp, Northwest Natural Gas, Idaho Power, Avista, and Cascade Natural Gas. You can find the agreement filed in UM 2211, and at this link: <https://apps.puc.state.or.us/orders/2023ords/23-033.pdf>.

This funding is made available through HB 2475 (2021), legislation which allocates \$500,000 annually of ratepayer money for groups looking to participate in PUC proceedings to represent Justice Communities in Oregon. The funding can be used to provide money to Justice Community group staff to engage in PUC dockets, hire attorneys or experts, or support the engagement of members of represented communities in our processes.

*There are two types of funding available –*

The first is case funding, which is requested on a docket-by-docket basis. This means that a group may ask for funding as they start to participate in a single docket. Up to 50 percent of this funding is available up-front.

The second is pre-certification grant funding. This is a broader type of funding and is available to groups to participate in a variety of dockets. Essentially, this funding can operate as a multi-subject grant for activity at the PUC, and groups can request that all of this funding be provided up front. Groups request this type of funding one time per year, with the PUC approving funding for up to five requests per year for this more flexible type of funding. The deadline for pre-certification requests in 2023 is April 3.

Importantly, this second, more flexible source of funding is limited for representation of communities and issues in the PGE, PacifiCorp, and NW Natural service territories. There is \$85,000 available annually for each of these three utilities from the precertification fund, for a total of \$255,000. For 2023, there are additional funds available because some funding from 2022

was not spent. With the remaining funds from 2022, the following amounts are available for pre-certification grants in 2023:

- PGE: \$157,545.73
- PacifiCorp: \$149,340.42
- Northwest Natural: \$153,916.70

Although the final rules to implement this funding are in process and not yet adopted, the PUC did approve a new agreement on February 7, 2023, and funding requests can be made now. The PUC is requiring that applications for pre-certified funding be submitted prior to the April 3, 2023, deadline. We encourage groups to submit requests for funding through the Filing Center referencing docket UM 2276 and to direct questions about the process to Chief Administrative Law Judge Nolan Moser at 503-689-3622 or at [nolan.moser@puc.oregon.gov](mailto:nolan.moser@puc.oregon.gov).

### **UM 2276**

Requests for pre-certified funding may be made in docket UM 2276. Through this docket, the PUC will review and decide upon the pre-certification requests put forward by qualified advocates and will make a pre-certification funding announcement no later than Thursday, May 18, 2023. Applications must be filed no later than Monday, April 3, 2023, at 4:00 p.m.

#### *Applying for Pre-certification Grant Funding –*

The agreement adopted by the PUC outlines the process and content required for a successful request for pre-certification grant funding. Groups requesting pre-certification grant funds should follow these guidelines:

Overall, the request should be in a written narrative form, and will need to include a proposed budget and the funding amounts requested.

The narrative should include the following information:

- A review of the dockets or types of proceedings the applicant intends to participate in, a discussion of the nature of that participation (i.e., what the applicant plans to do), and a review of why these types of matters are eligible proceedings.<sup>1</sup>

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<sup>1</sup> For this information, you may look to section 6.2 of the agreement which reads: "Eligible Proceedings include proceedings before the Commission that affect a Participating Public Utility, its customers and its Environmental Justice Communities including, but not limited to: named, non-docketed Commission led processes, rulemakings, contested cases, declaratory ruling proceedings, contested case proceedings (e.g.

- A budget, describing the utility account or accounts where funds are sought, and the amount sought for each fund, along with estimated eligible expenses, which may include the cost for staff support; a budget showing estimated consultant fees, expert witness fees, or contractor costs.
- A discussion of the following factors, all of which must be met before the PUC may find a group eligible for pre-certification funding:
  - That the applicant represents the interests of low-income residential customers or environmental justice communities, and participation in proceedings will be primarily directed at public utility issues affecting those interests, including but not limited to interests in utility rates and terms and conditions of service, interests in the cost of access and impact from the delivery of services, interest in utility programs, and interest in utility resource planning;
  - That the applicant indicates the particular environmental justice community or low-income customers it represents and demonstrates that it is able to effectively represent them;
  - That the applicant demonstrates the ability to effectively represent or develop advocacy positions benefitting or informed by the environmental justice community or low-income customers, in the service area of each participating utility for which pre-certification is requested and demonstrates how it will identify the issues or advocacy positions that are important to them; and
  - If applicable, that the applicant has demonstrated in past PUC matters the ability to substantively contribute to the record on behalf of such interests. (Groups do not need to have prior experience at the PUC to access funding.)

When the Commission reviews the application, it will consider the following criteria.

- The breadth and complexity of the issues or the importance of community participation;
- The degree to which any policy issues affect the interests of low-income residential customers or the interests of residential customers that are members of environmental justice communities;
- The proposed budget;
- The eligibility criteria to which the applicant is subject;
- The qualifications of the applicant and experience before the PUC; and
- The level of available pre-certified funds consistent with this agreement.

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rate cases), integrated resource plans and updates, distribution management planning, depreciation dockets, deferrals for projects or pilots and design and implementation of differential rates, the Energy Trust's budget and planning process, and power or purchased gas adjustments; but they do not include a complaint proceedings initiated or caused to be initiated by the Grantee."

- In determining whether organizations that meet the above criteria should be eligible to receive a grant, the Commission may also consider whether the organization has significant ties to the Environmental Justice Community or low-income customers in the service area of each Participating Public Utility for which the grant is sought.

After submitting the filing – the PUC will endeavor to act within 45 days. Accordingly, the PUC will make an announcement on fund recipients no later than May 18, 2023.

Collaboration in the development of applications, budgets, proposals and workplans amongst groups is highly encouraged. Grantees are encouraged to make all reasonable efforts to enter into agreements with each other at any time, including before submitting applications, and to combine their efforts and resources in a case.

#### *Factors in Considering Between Applications and Budget Totals*

Because the agreement only allows five requests to access pre-certification grants to be funded in a given year, the PUC may need to make decisions regarding which of several groups may be funded and how much funding should be supplied to each group if the total amount requested is more than the amount of available funding.

Where the PUC must decide between more than five applicants to the fund or more funding is requested than is available, it will consider the following factors:

- 1) The funds requested and the activity proposed – for example, if \$255,000 in precertification funds were available in a given year, and four applicants requested \$25,000 each, and another group requested \$175,000, meaning that the total request of all groups would be \$275,000, rather than fully fund the \$175,000 request and lower all other requests by \$5,000, the Commission may choose to lower the payment to that group to \$155,000 from \$175,000.
- 2) Communities represented or served – for example:
  - a. If the PUC receives six applications in total, and three of the applications are from groups representing a single environmental justice community in Salem, for example, while the other three applications represent communities in three different places in the state other than Salem, the PUC may pre-certify only two of the three Salem groups to ensure funding to geographically diverse groups.
  - b. Similarly, if there was a proposal for five groups focusing on environmental issues and justice communities and two focused on low income customers, the PUC may choose to pre-certify up to two of the low income customer groups, rather than to pre-certify the five environmental justice community groups and

no low income groups to ensure a diversity of community representatives receive funding.

- 3) Dockets and subjects focused on – for example, if five applicants are focused primarily on rate cases and issues, and two are focused on integrated resource planning and resource acquisition, the PUC may determine that instead of pre-certifying the five groups focused on rate cases, the PUC may choose to pre-certify up to two of the groups focused on the integrated resource planning and resource acquisition dockets. This would be done to ensure justice community voices are involved in a variety of docket types.

Applications for pre-certification may be submitted any time prior to April 3, 2023, in docket UM 2276. If you have questions regarding process and the content for applications, please contact Chief Administrative Law Judge, Nolan Moser, 503-689-3622 or at [nolan.moser@puc.oregon.gov](mailto:nolan.moser@puc.oregon.gov).

Sincerely,

/s/Nolan Moser  
Chief Administrative Law Judge  
Phone: 503-689-3622  
[nolan.moser@puc.oregon.gov](mailto:nolan.moser@puc.oregon.gov)