

OREGON PUBLIC UTILITY COMMISSION UPDATE TO EXECUTIVE ORDER 20-04

MARCH 1, 2021

Upon review of Governor Brown's Executive Order 20-04, the Oregon Public Utility Commission (PUC) initiated a stakeholder outreach process that culminated in the PUC's approval of five comprehensive and interrelated work plans to take action to reduce greenhouse gas (GHG) emissions, prioritize communities most impacted by climate change and environmental pollution, and mitigate utility-related wildfire risks exacerbated by climate change. The five work plans were developed through an extensive internal and external action item development process that included listening sessions, written stakeholder comments, draft work plans, written and oral stakeholder responses to proposed actions, and culminated with [final work plans](#) being posted to the [PUC website](#) in December 2020.

Utility Planning Work Plan

The PUC's Utility Planning Work Plan is focused on incorporating the costs of GHG emissions into the long-term planning processes that the PUC and Oregon's regulated utilities continuously engage in. As a first step to incorporating carbon pricing into the integrated resource planning (IRP) process, the PUC has initiated the development of a stakeholder survey to refine the list of strategies for utilities to employ when factoring GHG emissions into their resource procurement planning. Separately, the PUC is finalizing the scope of a whitepaper analyzing how the social cost of carbon (SCC) can be incorporated into IRPs, resource procurement, and energy efficiency and demand response cost-effectiveness tests. The PUC is also working on an internal report reviewing how the SCC could impact ratemaking, depreciation, and purchase gas agreements.

Additionally, the PUC has been coordinating actively with the Department of Environmental Quality (DEQ) to ensure PUC climate-related directives to regulated utilities support DEQ's Climate Protection and Clean Fuels Program rules and reflect common policy priorities. Going forward, PUC staff have planned numerous workshops to engage with stakeholders on how to incorporate carbon emissions and the SCC into utility and PUC decision-making across different dockets.

Utility Services and Activities Work Plan

The Utility Services and Activities Work Plan focuses on more immediate actions that utilities and the PUC can take to reduce GHG emissions from the energy sector. PUC staff have begun the internal planning process for providing guidance to the Energy Trust of Oregon (ETO) and the Community Solar Program (CSP) on the measurement of GHG reductions. As part of CSP, which is intended to expand Oregonians access to locally-generated solar energy, the program's first completed project started generation in February 2021 and PUC staff continue to work with utilities and stakeholders through docket [UM 1930](#) to revise program policies to help increase locally-generated electricity and reduce GHG emissions.

Similar to CSP, the PUC adopted [utility distribution system planning \(DSP\) guidelines](#) developed through a robust process with utilities and stakeholders in December 2020. The guidelines directly support GHG emission reduction and measurement, will foster greater community outreach and engagement, and will require utilities to file DSP reports beginning October 15, 2021 and August 15, 2022. Also on the community outreach front, the PUC held an [initial workshop](#) on March 1, 2021 for communities and stakeholders to discuss the development of voluntary community-wide green tariffs. This initial meeting will be followed by others intended to help communities and the utilities that serve them to develop green

products that will further reduce community GHG emissions. Additionally, the PUC continues to work with local stakeholders and regional and national thought leaders on interconnection reform with the aim of facilitating increased use of clean, distributed energy resources to meet customer energy needs.

Transportation Electrification (TE) Work Plan

The PUC also developed a Transportation Electrification (TE) Work Plan to acknowledge the significant role GHG emission reductions from the transportation sector will have on the overall success of Oregon meeting its emission reduction targets and the potentially large role TE might have in achieving emission reductions. The PUC is working with utilities to develop and approve pilot programs and other policies like time of use rates (TOU) and transportation line extension allowances (TLEA) that will bolster utility efforts to increase the use of electric and alternative fuel vehicles and increase access to necessary fueling infrastructure. Between October and December 2020, the PUC approved [PacifiCorp's TLEA proposal](#) and PGE's [residential](#) and [non-residential](#) EV charger rebate pilots. PUC staff continues to work with PGE on the development of [non-residential and fleet TLEAs](#) and a [utility pole EV charging pilot](#). At the same time, the PUC is actively engaged with utilities, stakeholders, and other leading states in the development of an updated TE investment framework to be completed by Q4 2021 to lay the groundwork for utility pilots and nascent programs to be scaled up to meet the significant challenge of overhauling Oregon's entire vehicle stock to run on electricity and other low-carbon fuels.

Impacted Communities Work Plan

Over the last several months, the PUC has taken on various activities outlined in the Impacted Communities work plan to engage, protect, and advance benefits to vulnerable communities. These activities have focused on advancing broader societal interests in climate change mitigation, social equity, and inclusion of underrepresented communities. The PUC has created a new position, Diversity, Equity, and Inclusion Program Director, and filled the position in January 2021. The DEI Program Director has undertaken extensive internal and external engagement activities, and been appointed to lead our collaborative efforts with both the Environmental Justice Task Force and the Legislative Committee on Indian Services.

The PUC has been engaged in on-going investigations and deliberative actions to assist Oregonians struggling with the economic impacts of the COVID-19 pandemic, most notably through [UM 2114](#). The PUC has worked with utilities (electric, gas, water, and telecommunications) and stakeholders, particularly those representing vulnerable and unrepresented communities, to take actions needed to protect customers, including a moratorium on disconnections and late fees that has been extended through at least June 30, 2021.

The PUC has provided technical assistance during the development of [HB 2475](#) and [HB 2490](#), which seek to expand the PUC's authority to consider differential energy burden and other inequities during ratemaking. The PUC is also working with ETO to create a pilot program that will create a pathway for development of energy efficiency measures that reduce the energy burden faced by low-income customers.

The PUC is planning an event for March 2021 to start a dialog with stakeholders focusing on the development of an equity framework that will inform and prioritize PUC decision-making and benefit impacted communities. The PUC is also reviewing the activities and membership of the Low-Income Roundtable to determine if revisions will enhance and strengthen the group's purpose.

Wildfire Prevention and Mitigation Work Plan

Within the Wildfire Prevention and Mitigation Work Plan, the PUC has initiated a rulemaking, [AR 638](#), to develop rules governing the information that needs to be presented to the PUC regarding electric utility risk-based, wildfire mitigation plans. The PUC hosted a kick-off workshop on December 9, 2020 and received written comments on issues and priorities to be addressed in the wildfire mitigation plans on January 8, 2021. The PUC plans to release a scope and schedule for the rulemaking in March 2020 and will launch a temporary rulemaking to adopt baseline ignition reporting and public safety power shutoff protocols before the next wildfire season. The PUC will also launch topical workgroups to discuss key issues in-depth and develop permanent rules, ideally by the end of 2021, depending on how the 2021 fire season impacts availability of key staff and stakeholders.

The PUC continues to plan, hold, and facilitate [Oregon Wildfire and Electric Collaborative \(OWEC\) workshops](#) for Oregon electric utilities. Most recently, OWEC held a workshop January 6, 2021 on the topic of de-energization and public safety power shutoffs. OWEC is planning its next workshop to be held March 10, 2021 on the topic of adapting vegetation management programs to a changing climate and building strong partnerships with landowners and managers.

Additionally, the PUC has also sought to strengthen its relationship with the Oregon Department of Forestry through staff discussions expected to culminate in the creation of a Memorandum of Understanding between the two state agencies regarding information and expertise sharing and aligning of agency priorities.