

Stakeholder Update

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Les Perkins confirmed as new commissioner, officially starts March 18

The Oregon Senate recently confirmed Les Perkins as commissioner of the Oregon Public Utility Commission (PUC) for a four-year term ending February 15, 2028. Perkins, who was appointed by Gov. Kotek and recommended for Senate confirmation late last year, will serve on the three-member commission with Chair Megan Decker and Commissioner Letha Tawney.

“I am thrilled to welcome Commissioner Perkins to the Oregon PUC team,” said Chair Megan Decker. “He joins us at a time of historic opportunities and challenges for the regulated utility sector in Oregon, and his perspectives will be a valuable addition to our decision making.”

“I look forward to working with Commissioner Perkins to achieve our mission, ensuring Oregonians have access to safe, reliable and fairly priced utility services,” added Commissioner Letha Tawney. “Our work is all the more critical to households and businesses in this time of significant cost pressure and rapid change in the energy system.”



**Commissioner
Les Perkins**

In addition to representing the rural south end of Hood River County as a Hood River County Commissioner since 2001, Perkins worked as general manager of the Farmers Irrigation District, which delivers water to nearly 6,000 acres of high value farmland in the lower Hood River Valley as well as produces over 22,000,000 kilowatt hours of hydropower annually. Previously, Perkins was co-founder of Farmers Conservation Alliance, a non-profit organization focused on finding resource solutions for rural communities, specifically around energy and water.

Perkins said, “I’m excited about the opportunity to use the knowledge and experience gained throughout my career to help shape Oregon’s energy future to meet the demands of the coming decades while balancing the needs of the diverse communities that make up our state.”

Commissioner Perkins will officially start his first term on March 18, 2024.

Efforts underway to address regional transmission constraints

By Kacia Brockman

High voltage transmission lines serve as the backbone that interconnects a multi-state regional grid. Backbone transmission helps ensure overall grid reliability during extreme weather events and helps utilities transition to clean energy at least cost to customers. Available capacity on these backbone transmission lines is dwindling and new transmission is extremely difficult to build, creating nationwide concern.

The barriers to constructing new transmission lines are often described as the three Ps: planning, permitting, and paying. First, a planning process must identify when, where, and how much new transmission capacity will be needed to reliably serve load and produce the greatest regional benefit. Second, transmission projects must secure land use and environmental permits from each jurisdiction in their path. Third, who shares in paying the cost of constructing the line must be agreed upon.



Most backbone transmission is regulated by the Federal Energy Regulatory Commission (FERC). FERC has proposed to update its rules governing the “planning” and “paying” elements to make regional transmission projects more likely to succeed. The U.S. Department of Energy is currently working to address the “permitting” element by streamlining review and approval of lines that cross federal lands.

In the West, we don’t have a Regional Transmission Organization to plan and manage backbone transmission capacity. Additionally, much of the region’s transmission is owned by Bonneville Power Administration and Western Area Power Administration – federal entities that are not subject to FERC rules. Therefore, rather than waiting for FERC to approve new rules, entities across the Western U.S. are voluntarily collaborating to undertake new approaches to planning and paying for transmission.

The [Western Transmission Expansion Coalition](#) (WestTEC) is a new planning effort to identify where and when the West will need new backbone transmission capacity to reliably serve the region’s electricity needs for the next 20 years. This planning effort will perform what-if scenario analysis, similar to utility integrated resource planning, to consider future risks such as low hydro years, extreme weather events, and different rates of load growth and emissions reductions. Importantly, this study will also evaluate the economic and reliability benefits provided by new transmission so that those benefits can be considered in cost allocation.

The Committee on Regional Electric Power Cooperation (CREPC), co-chaired by Chair Decker, has formed a state transmission discussion group known as the CREPC Transmission Collaborative (TC), which is open to state and provincial commission and energy office staff as well as Commissioners and energy office leaders. An initial purpose of the CREPC-TC is to gather state perspectives and convey them into the WestTEC transmission planning process. Another initial project is commissioning a paper to facilitate discussion of potential cost allocation frameworks specific to the West. Work among states will help prepare for potential transmission cost allocation proposals from utilities, independent transmission developers, and the Federal Energy Regulatory Commission’s new Order 1000 process expected to be approved in April.

The CREPC-TC and WestTEC efforts together are responding to the West’s growing need for transmission by creating an actionable transmission plan and identifying how to appropriately share in the costs and benefits. The goal of these efforts is to overcome barriers and accelerate the development of new transmission capacity that will provide broad benefits to customers in Oregon and across the entire West.

Impact of differential rates

From the desk of Michelle Scala

House Bill (HB) 2475 (2021) gave the PUC new authority to consider the financial burden of energy costs when making decisions about rates, bill credits, and program discounts for customers of investor-owned electric and natural gas utilities. This bill, known as the Energy Affordability Act, allows us to consider equity in the ratemaking process to make energy more affordable for all Oregonians.

In an effort to balance the need for expedited energy burden relief and the desire to investigate the methodologies and implications of differential rate designs and programs, we took a staged implementation approach for the bill that allowed for immediate engagement with communities, advocates, and utilities on near-term interim program designs. Utilities were encouraged to conduct community outreach in advance of formal filings before the PUC. Staff memorialized community input in publishing key design elements for the interim programs that prioritized low-barrier enrollments and data-informed bill discounts.

Since the energy affordability act went into effect in January 2021, the PUC has approved interim differential rates for five of the six utilities. That program will either be evaluated as part of the rate case or pulled into a separate docket for review to implement discounted rates no later than Oct. 15, 2024. Across these programs, over 179,000 households have been enrolled and received over \$42 million in assistance. While individual bills and discount percentages vary between Company's ranging from 15 to 95 percent off a customer's monthly bill, depending on reported income and the utility service provider, on average, participating Oregon households are receiving between \$9 to \$25 a month in ratepayer funded assistance.

The one remaining utility, Idaho Power, currently has a bill discount proposal under review in its general rate case filing, UE 426. If adopted, the Idaho Power program would take effect on October 1, 2024. Commission staff is working with the utilities to develop a set of standardized energy burden metrics and data collection practices that will inform future program evolutions and evaluations in the HB 2475 implementation docket, UM 2211.

Utility	Enrolled	Assistance	Average Assistance per Customer	
			Annual**	Monthly**
PGE	83,205	\$22,600,000	\$271.62	\$22.63
Pacific Power	46,081	\$12,895,899	\$279.85	\$23.32
NW Natural	39,686	\$5,525,594	\$139.23	\$11.60
Cascade Natural	3,011	\$522,720	\$173.60	\$14.47
Avista	8,005	\$803.08	\$100.32	\$8.36
Total	179,988	\$42,347,292	\$235.28	\$19.61

**This is across all discount tiers and so in the aggregate

Preview of select 2024 dockets

The PUC will continue to be busy throughout 2024 with a number of dockets that impact customer rates, future planning of the utilities to continue to meet customer and greenhouse gas emission reduction goals, and various policies.

Below is a listing of select dockets the PUC will address this year.

General rate cases

- ◆ Idaho Power – [UE 426](#)
- ◆ PacifiCorp – [UE 433](#)
- ◆ NW Natural – [UG 490](#)
- ◆ PGE – [UE 435](#)

Annual power cost adjustments

- ◆ Purchased Gas Adjustments – NW Natural, Cascade Natural, Avista
- ◆ Annual Update Tariff (AUT) – PGE
- ◆ Transition Adjustment Mechanism (TAM) and Power Cost Adjustment Mechanism (PCAM) – PacifiCorp
- ◆ Annual Power Cost Update (APCU) – Idaho Power

Integrated resource plan (IRP)

- ◆ PGE – IRP & Clean Energy Plan – [LC 80](#) (order pending)
- ◆ PacifiCorp – IRP & Clean Energy Plan – [LC 82](#)
- ◆ NW Natural – IRP – [LC 79](#)
- ◆ Avista – IRP – [LC 81](#)
- ◆ Cascade Natural Gas – IRP – [LC 83](#)
- ◆ Idaho Power – IRP – [LC 84](#)

Procurement

- ◆ PGE – Request for Proposal – [UM 2274](#)

Policy dockets

- ◆ Implementation of [HB 2021](#) Clean Energy Targets – [UM 2273](#)
- ◆ Wildfire mitigation plans
 - ◆ [UM 2207](#) (PacifiCorp)
 - ◆ [UM 2208](#) (PGE)
 - ◆ [UM 2209](#) (Idaho Power)
- ◆ PacifiCorp deferral of wildfire liabilities – [UM 2270](#)
- ◆ Implementation of [HB 2475](#) differential rates – [UM 2211](#)
- ◆ PURPA qualifying facilities – [UM 2000](#), [UM 2299](#)
- ◆ Interconnection – [UM 2111](#), [AR 659](#)
- ◆ Idaho Power net metering – [ADV 1539](#), [UE 431](#)
- ◆ Direct access – [UM 2024](#), [AR 651](#)
- ◆ PacifiCorp – waiver of interconnection procedures – [UM 2316](#)



Other dockets of interest

- ◆ Oregon Court of Appeals Opinion on DEQ CPP rules – [A178216](#)

What do maritime pilots do?

By Tom Griffiths, OBMP Executive Director

The Oregon Board of Maritime Pilots (OBMP), which exists within the Oregon Public Utility Commission, regulates the pilots that bring ships into port. There are over 60 state licensed pilots for Coos Bay, Yaquina Bay, the Columbia River Bar and the Columbia River. Long ago, the maritime world identified the importance of local knowledge for bringing ships into port. Local pilots are required around the world because each port is unique, requiring specialized skill and local knowledge. They understand local tides, currents, weather and water depths and how those forces act on ships in their area. They can literally draw their respective pilotage grounds from memory, including docks, buoys and navigational aids and are required to do so to obtain their pilot's license. It is a very competitive field, often viewed as the pinnacle of a seagoing career.



A turbulent trip on a pilot board on the way to meet an inbound ship

Pilots guide ships across the bars and into port, often navigating towering waves and strong currents. Once through they guide the ships up narrow channels. In Coos Bay they often pass through a narrow bridge span with feet to spare on either side. This requires specific local knowledge because the currents and winds often “set” a ship, meaning it can't pass straight through and the pilot has to account for the amount of set on that particular day but often passes through at an angle, further decreasing the clearance. Currents, winds and waves can be so extreme on the Columbia River Bar that the ship's bow will be pointing at an angle from the actual direction of travel over the water, often referred to as “crabbing.” This requires considerable local knowledge to balance the ship against the weather forces acting on it to maintain the correct direction of travel. Once on the Columbia River the River Pilots will make a 6 – 12 hour trip through tight turns, river and tidal currents, winds and sometimes limited visibility. They must coordinate passing with other large ships to ensure they meet in wider areas where they can pass safely and have to be constantly vigilant for small boats that sometimes don't like to yield. If you are a boater you must yield the channel to large vessels!

I asked two long time pilots, Captain Chris Farrell and Captain Elroy Olson about their path and experiences as a maritime pilot. Both Captain Farrell and Olson are seasoned pilots with decades of navigational experience prior to becoming a pilot. Captain Farrell is on his second term as a board member and Captain Elroy left OBMP after completing his second term last summer — all of our OBMP members are volunteers.

Q&A with Captain Farrell & Captain Olson

Q: Briefly describe your background?

CF: I grew up near the Columbia River in SW Washington. Friends working on the river introduced me to the maritime industry and the California Maritime Academy (CMA). After graduating CMA with a bachelor's degree in Maritime Transportation, and a third officers license, I started a career on ocean going ships and began working my way up to Master (Ship's Captain). My first job was an 1100 foot VLCC [Very Large Crude Carrier] hauling crude oil from the Persian Gulf. I spent the majority of my sea-going career in the Bering Sea and North Pacific, between the West Coast and Asia on a large fisheries ship. After over 20 years at sea, I qualified for, and was accepted into the training program for the Columbia

River Bar pilots. I have been a pilot since 2011.

EO: I have worked on the Columbia River for 48 years as a fisherman, deckhand on a tugboat, captain of a tugboat, and as a maritime ship Pilot.

Q: Why did you become a pilot?

CF: I had lots of reasons for striving to become a pilot:

A rewarding and challenging part of working on ships is actually driving the ships. A ship's Captain really doesn't get to do a lot of that. A Captains job is a lot of management and a huge amount of paperwork, with a bit of ship driving. Pilots get to drive every day.

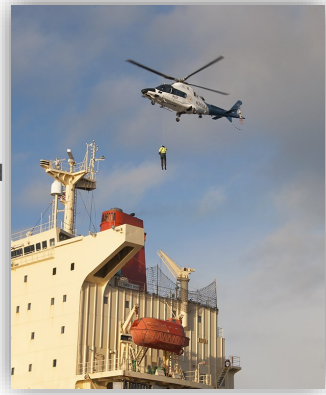
After several decades of being away from family while at sea for 3-4+ months at a time, its is very nice to be able to go home every day after work.

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Many Mariners see piloting as the pinnacle of a maritime career. We spend our sea-going time gaining the experience and skills required to be considered for this profession. We strive for the opportunity to put all of that to use.

To have an exciting, interesting job, close to home, using my skills to provide an important service to the region.



Pilot lowered from a helicopter onto an inbound ship

EO: I aspired to become a Pilot when I first went to work fishing as a teenager on the Columbia River. Becoming a Pilot put me at the top of the maritime field.

Q: How do you describe your job?

CF: The best job in the world!

EO: My job is intense, fatiguing, thrilling and rewarding. I have the opportunity of being an ambassador to many vessels from all over the world.

Q: What is the biggest challenge you face as a pilot?

CF: We face a lot of challenges in our job, so it's hard to pick just one. The most significant ones are the environmental challenges: storms, big seas, strong winds, extreme currents. Getting on and off the ships in the ocean can be a challenge. We sometimes face issues with the ships themselves, mechanical issues, power issues, language barriers.

EO: Climbing the pilot ladder up the side of the ship can be very challenging in inclement weather. The biggest challenges I face as a Pilot are weather, fog, wind, snow. Public safety and environmental protection are the main responsibilities of a pilot. During the summer this can be challenging due to increased public usage of the river.

Q: What do you enjoy most about piloting?

CF: Just about everything, including the challenges listed earlier.

Driving some of the biggest manmade objects through some of Mother Nature's roughest conditions is extremely rewarding. (we all have a bit of adrenaline junky in us).

Meeting and working with crews from all over the world.

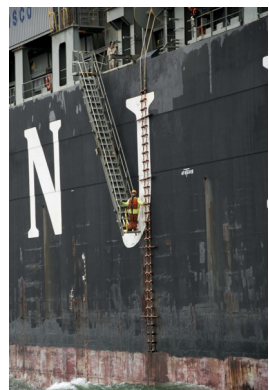
No job is the same, each day has a different ship, crews, conditions, and a new set of challenges.

EO: My favorite part of my job is enjoying the different cultures of the crews and the challenge of safely navigating the ship. My greatest reward is a handshake and thank you from the captain for a job well done.

Oregon Public Broadcasting ran a story in 2016 about the Columbia River Bar Pilots. View the 16-minute [video](#) to learn more about this work.



Images demonstrating the dangers of pilots transferring to/from ships traveling Oregon waters



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Our mission is to ensure Oregonians have access to safe, reliable and fairly priced utility services that advance state policy and promote the public interest. We use an inclusive process to evaluate differing viewpoints and visions of the public interest and arrive at balanced, well-reasoned, independent decisions supported by fact and law. [Visit our website for more information.](#)