

28 October 2020

Megan Walseth Decker, Chair
Letha Tawney, Commissioner
Mark Thompson, Commissioner

VIA EMAIL: Comments regarding PUC's Proposed EO 20-04 Work Plans

Dear Commissioners,

The undersigned offer this letter in follow-up to our June 15 comments¹ on what should be included in public utility commission (PUC) work plans to implement the Governor's Executive Order 20-04 (EO), and in response to the draft work plans published on October 6. In the June 15 letter, we outlined priority areas within four key themes of GHG reduction, impacted communities, wildfire, and process and public engagement.

We are generally pleased with the draft work plans and commend the PUC's thorough work thus far. We see a recognition of new ways to enhance equitable outcomes, much of which depends on the success of the new DEI Program Director position, and the intention to increase collaboration with the existing infrastructure of councils and advisory groups focused on equity and environmental justice. We are encouraged by the expanded use of the social cost of carbon (SCC) in integrated resource plan (IRP) guidelines and across PUC activities. Lastly, we strongly support the initiatives to reduce life-cycle GHG emissions from natural gas.

We applaud the inclusion of community-wide green tariffs targeted at utilities' GHG reductions, the analysis of the distribution grid as a decarbonization resource, and the prioritization of clean resources and appropriate valuation of their system contributions, especially when deployed to support low- and moderate-income customers. We also hail the recognition of the need to quantify and measure non-financial and non-energy co-benefits of specific programs (such as woodstove replacement), and encourage application of that same thinking in other program areas. Lastly, we see the potential for robust policy-making around transportation electrification (TE).

We would like to highlight our recommendations for the draft's improvement.

Utility Planning

- We do not see any specific recognition about protecting consumers from stranded assets of existing fossil-fuel infrastructures. This plan envisions major changes to how utilities are regulated to reduce GHG emissions; stranded assets should be included to keep the discussion realistic.
- While SCC is pointedly addressed, we encourage the PUC to incorporate it however possible, even where there is uncertainty. We encourage a consistent and inclusive SCC methodology, determined with significant stakeholder input.
- Any DER valuation should not only account for SCC, but should adequately project the value of the resource in avoiding climate change damage and other co-benefits for future generations. At minimum, the PUC needs to incorporate appropriate clean energy valuation in a utility's IRP proceeding.

¹ https://oregonpuc.granicus.com/MetaViewer.php?view_id=2&clip_id=566&meta_id=26148, Appendix A.

- In addition, we encourage incorporating SCC into avoided cost updates applicable to PURPA during the first year, since the next decade is critical for GHG reductions and projects take years to develop.
- We request that the work plans highlight utility transmission planning to accommodate the increase in renewable energy generation.

Utility Activities and Services

- We encourage defining “community,” in community green tariffs, in a way that provides maximum flexibility. Additionally, the PUC’s efforts to develop guidance on these tariffs should be informed by feedback from various stakeholders, including vulnerable and impacted communities and organizations that work closely with those communities.
- We encourage further quantification and incorporation of SCC methodologies and co-benefits to existing renewables programs in year one, including within the community solar program and utility distribution system plans.
- We encourage the inclusion of maps in key dockets showing capacity of the transmission and distribution systems in formats easy for the public to understand and use, particularly for those who have been less engaged in the utility sector.
- To optimize load balancing, minimize curtailments, and incent flexible production of clean fuels, utilities should propose interruptible tariffs.
- While we applaud incorporating SCC into avoided cost on energy efficiency, and examining energy burden reduction through energy efficiency, we ask the PUC to as broadly as possible explore the implications of equity and protection for vulnerable communities on cost effectiveness rules.

Transportation Electrification

- We encourage the PUC to explicitly include data and activities that will help expand clean, affordable and equitable access to TE. The work plan should include a process to identify barriers to TE and methods to provide benefits to low-income, BIPOC, and underserved customers.
- The work plan should thoroughly address barriers to zero emission medium and heavy-duty vehicles for retail customers, identify proactive measures to accelerate the adoption and efficient integration of zero emission medium and heavy-duty vehicles, and consider whether new natural gas vehicles and supporting infrastructure for company vehicles fully align with the directives of the EO.
- We appreciate the focus on tariffs that link EV charging to decarbonization and encourage including efforts to ensure new TE load is served by renewables.

Impacted Communities

- We are disappointed to not see any stated intention to expand an intervenor funding system to support community-based organizations that will be involved in implementing any adopted work plans, and strongly encourage replicating the SB 978 process of directing that funding in the finalized work plans. We would like to see concrete outcomes that acknowledge this inclusivity effort will involve an innovative redistribution of resources.
- We appreciate the promise of explanatory briefs and would also like to see more specific discussion about how these myriad of changes will be communicated to impacted

communities and others who may not be completely immersed in commission processes, as well as commitments on how the PUC will ensure that these communities are at the table:

- The PUC should go beyond making its processes more accessible and engage in tailored outreach. Part of that outreach should include better articulating why these processes are relevant and impactful to vulnerable communities, and why their expertise is needed.
- As relevance and access are best guaranteed by trusted messengers, the PUC should consider how to compensate organizations that are already working within communities to increase awareness and inclusive processes, and solicit meaningful feedback, such as by soliciting their expertise in creating communications templates and sharing best practices.
- The PUC should engage stakeholders in the DEI Program Director selection process and expressly address how it plans to resource and support the wide array of responsibilities assigned to the position.
- While we applaud the general inclusion of pilots and dedicated activities to provide bill savings and non-energy benefits, solar and storage should be included in resiliency pilots for low-income customers and in conversations with Oregon Housing and Community Services.
- We encourage the public display and vetting of community outreach plans in distribution system planning and wildfire mitigation and recovery.
- We encourage the PUC to continue to articulate how it will prioritize actions that center vulnerable populations and impacted communities throughout its work to implement EO, and encourage the PUC to apply an equity lens to its work beyond the items identified in the Impacted Communities section.

Wildfire

- We underscore the inclusion of ongoing efforts to actively study the causes and impacts of the wildfires experienced during this catastrophic season. We have the opportunity to apply real-time lessons learned to these forward-looking work plans.
- Per our initial comments, we are disappointed to see no inclusion of local generation, including solar, storage, and microgrids, in appropriate response to boost community resilience or respond to wildfires, as these small-scale, customer-centric resources are undervalued by current business models.
- Utilities should upgrade equipment to create a more interactive grid with GHG reduction capabilities when repairs from wildfire damage are required. As Commissioner Tawney said in a recent public meeting, utilities should “build back better.”

We are grateful for the detailed thinking that Staff has undertaken to develop this draft work plan. We expect that several of the groups signing this letter will submit their own more detailed comments in response to this draft and identify other issues and more details. The overall process is heading in a positive direction and we look forward to continued involvement as the work plan heads to eventual adoption.

Sincerely,
 350 Salem
 Better Energy LLC
 Climate Solutions

Community Energy Project
Douglas County Global Warming Coalition
Ecumenical Ministries of Oregon
Multnomah County Office of Sustainability
NW Energy Coalition
OLCV Metro Climate Action Team
Oregon Environmental Council
Oregon Solar Energy Industries Association (OSEIA)
Renewable Hydrogen Alliance
Renewable Northwest
Southwestern Oregon Chapter of The Climate Reality Project
Spark Northwest