

21 April 2021

Joint Ways and Means Committee
Oregon Legislature
900 Court St. NE
Salem, Oregon 97301

Dear Co-chairs Steiner-Hayward, Johnson, Rayfield and Members:

RE: SUPPORT FOR HB [2739-A](#)

On behalf of a coalition of stakeholders, we ask you to support and pass HB 2739-A. The bill that has been referred to Ways and Means from the House Human Services Committee. There is no General Fund request associated with the bill.

Overview

HB 2739 was originally introduced to create a water and sewer ratepayer assistance fund. That issue is being dealt with in other legislation. A group of stakeholders, including Community Action Partnership of Oregon (CAPO), Oregon Citizens' Utility Board (CUB), the NW Energy Coalition (NWEC), Portland General Electric, and Pacific Power have agreed-upon language for a temporary increase in energy assistance for electricity customers.

HB 2739 Amended by -2 Amendment

The House Human Services Committee replaced the original bill with the -2 amendment to increase an existing energy assistance fund and ensure that an existing cap on charges for large customers applies to the temporary increase as well.

A Public Utility Commission (PUC) proceeding last summer looked at how the utilities should respond to customers' needs during the COVID-19 pandemic. An agreement that came out of that proceeding among parties including residential customer groups, community action agencies, utilities and other advocates called for these parties to ask the legislature to increase existing energy assistance funds by \$10 million. This would add about 35 cents per month to customer bills. HB 2739-A proposes having this increase for 3 years.

Broader Context

As of February 2021, the PUC was tracking over \$73 million in arrearages among Portland General Electric (PGE) and Pacific Power (PAC) residential customer since March 2020. It is reasonable to anticipate that this total may reach up to \$100 million by the time the PUC lifts the current moratorium on disconnections, which is currently in place until June 2021.

It is reasonable to anticipate that, similar to last summer when the Joint Emergency Board allocated federal CARES Act funds for energy utility assistance, the same may be true later this spring or summer regarding federal American Rescue Plan funds recently approved by Congress. The ARP will also increase Oregon's federal LIHEAP allotment for 2021. These funds will help customers pay down unmanageable past due balances, much of which dates back to the early days of the pandemic.

But even with these funds in place, we fall far short of meeting the arrearage amounts. There will also be ongoing needs as customers continue to recover from lost income or health issues as a result of the pandemic.

Fiscal Impact

The Oregon Department of Housing and Community Services (OHCS) anticipates needing one staff person to assist in the delivery and compliance of an additional \$10 million for the existing Oregon Energy Assistance Program (OEAP), as existing staff cannot absorb any new work. The department believes the overall administrative figure for OEAP would remain under 5%. As noted earlier, the increased operational needs would be funded by Other Funds as generated from the increased charge.

Conclusion

The COVID-19 pandemic has hit utility customers hard. HB 2739 -A will provide some much-needed help to keep customers' lights on to assist their recovery from the pandemic's effects. Thank you for the opportunity to introduce you to HB 2739-A. The broad range of stakeholders looks forward to working within the Ways and Means process to adopt the bill.

Sincerely,



Sam Pastrick
Oregon Citizens' Utility Board



Sunny Radcliffe
Portland General Electric



Paul Rainey
Community Action Partnership of Oregon



Jeff Bissonnette
NW Energy Coalition



Annette Price
Pacific Power