



Portland General Electric

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Representative Nathan Sosa, Chair
House Committee on Commerce and Consumer Protection
900 Court St. NE
Salem, OR 97301

Re: PGE Comments in Opposition to HB 3792 -3 Amendments

Dear Chair Sosa, Vice Chairs, and members of the committee,

Thank you for the opportunity to provide testimony on HB 3792 with the -3 amendment on behalf of Portland General Electric. PGE generates, transmits, and distributes electricity to over 950,000 customers serving an area of 1.9 million Oregonians in seven counties and 51 incorporated cities. We are proud to be an Oregon company and Oregon's largest provider of electricity.

This session, PGE is actively engaged in legislation that supports utility bill affordability, including changing the rate setting process to smooth rate impacts for residential customers, cost allocation for new, large data center loads, and critical legislation to address the customer costs driven by wildfire risk. There is also an existing PUC docket, UM 2211, focused on customer affordability, energy equity, and arrearage management, in which PGE is deeply engaged.

PGE works closely with customers to help them access payment assistance, whether that's setting up a payment plan based on customer circumstances, extending payment due dates, or helping connect customers with community resources, such as the Low-Income Home Energy Assistance Program, Oregon Energy Assistance Program or Oregon Energy Fund. PGE has expanded customer protections, including suspending any disconnection for income-qualified bill discount (IQBD) customers and customers with medical certificates, for the winter months through March 31, 2025. In addition, PGE is forgiving up to \$1,000 past-due balances for the company's most vulnerable, lowest-income IQBD customers, and expanding cold-weather disconnection protections for all customers.

PGE supported HB 2739 in 2021 to increase collections for low-income assistance through the Oregon Energy Assistance Program (OEAP) by 50 percent due to the COVID-19 pandemic, adding \$10 million. In 2024, collection levels returned to \$20 million. An increase to \$40 million would double current collections from all customers, increasing to \$1.20 per month per residential customer.

PGE offers a wide range of programs and resources to customers. Since the 2021 OEAP increase, PGE began operating its Income Qualified Bill Discount Program (IQBD), which provides discounts of up to 60% based on household size and income. More than 98,000 residential customers are currently enrolled. In addition to the OEAP and IQBD funding, PGE customers also contribute low-income funds through the Energy Trust of Oregon and Public Purpose Charge. Altogether, the total low-income investment of PGE residential customers is estimated at \$107 million for 2025. On an average residential bill, this accounts for roughly \$6.20 or 4% per month.

We understand that economic insecurity is on the rise and, with that, the need for bill and crisis assistance. However, an increase in funding will not address the root causes of high electricity bills. Many times, the root cause of a high bill is an inefficient heat source. The current system of collecting and distributing energy assistance through OEAP warrants thoughtful examination to consider the most effective means of deploying these funds to address customer utility bills. Under the current system, PGE collects funds from customers, sends this funding to OHCS, which distributes it to local community action agencies, which determine eligibility and send payments to the utility. PGE observes that as much as 25 percent of collections do not return as energy assistance. Limited bill assistance resources primarily go toward covering large bills and balances each year for customers experiencing persistent high energy burden, in many cases the same customers, rather than addressing the underlying contributing factors.

To ensure that customer dollars to provide low-income assistance are utilized economically and put to their greatest use, the Legislature should accompany the -3 amendment with direction to the OPUC to examine how best to utilize these dollars going forward.

We urge the committee to add the following elements to the bill before it moves forward:

1. An analysis or investigation conducted by the Public Utility Commission, in consultation with the Department of Housing and Community Services, focused on the most effective and economic use of the amounts collected by electric companies to provide low-income customer assistance. The commission should:
 - Examine the benefits, costs, risks, and constraints associated with the current system of deploying energy assistance funding under the Oregon Energy Assistance Program.
 - Consider best practices for designing, deploying, and operating energy assistance programs, including models used in other states, direct-to-customer programs facilitated by utilities, and efficient delivery through community organizations.
 - Identify administrative or regulatory actions to be taken by the OPUC or OHCS, and recommendations to the Legislature.

The PUC should report to the Legislature ahead of the 2027 session.

2. A two-year sunset of Jan 1, 2028 on the increased collections, to ensure that the Legislature fully engages with the commission's recommendations.

Thank you for your consideration. Sincerely,

Greg Alderson
Senior Manager, Government Affairs