

HB 2739: Increasing Oregon Energy Assistance Program

Overview

HB 2739 was initially introduced to establish a water and sewer ratepayer assistance fund. Stakeholders decided to address this issue in other legislation. A separate 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.

-1 Amendment

The -1 amendment replaces the bill as introduced to increase the Oregon Energy Assistance Program. A Public Utility Commission (PUC) proceeding last summer explored how regulated utilities should respond to customers' needs during the COVID-19 pandemic. An agreement reached through that proceeding - among parties including CUB, CAPO, NWEC, utilities, and other advocates - called for stakeholders to request that the Legislature increase energy assistance by \$10 million. This would add roughly 35 cents to customer bills. The amendment contemplates this increase to last through 2023.

Broader Context

As of January 2021, the PUC tracked over \$63 million in arrearages between Portland General Electric and Pacific Power residential customers since March 2020. It is reasonable to anticipate that this total may reach or exceed \$75 million by the time the PUC lifts the current moratorium on disconnections for non-payment, which is scheduled to end on June 15.

It is also 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 American Rescue Plan (ARP) funds recently approved by Congress. The ARP will also increase Oregon's federal LIHEAP allotment for 2021. These funds will help customers pay down their past due balances that date back to the early days of the pandemic. But even with these funds, Oregon may fall far short of meeting the arrearage amounts. There will be ongoing needs as customers recover from lost income or health issues due to the pandemic.

Conclusion

The COVID-19 pandemic has hit utility customers hard, especially those with low incomes. HB 2739 -1 will provide some much-needed help to keep customers' lights on to assist them recover from the ongoing pandemic.

