



Pacific Power Community Benefits & Impacts Advisory Group CBIAG (Community Benefits and Impacts Advisory Group) Public Notes

2024 CBIAG Roadmap

Thursday, January 18, 2024, 1:00 – 4:00 p.m., Pacific Time

E Source, PacifiCorp's meeting facilitation partner, synthesized and summarized these notes.

Executive Summary

January's CBIAG public meeting was conducted via Zoom on January 18, 2024, from 1:00-4:00 p.m. PDT. Eleven attendees, representing seven of the CBIAG member organizations. The meeting outlined the 2024 CBIAG Roadmap, drafted with input from members, and updates on regulation and small-scale renewable engagements.

Meeting Objectives

- Provide an update on accessibility in these meetings
- Share a proposed process through working through the Biennial CBIAG Report
- Learn about the Public Utility Commission and provide updates on rate cases

January 2024 CBIAG Presentation | English

[CBIAG January Slides](#)

January 2024 CBIAG Presentation | Spanish

Agenda

TIMING	TOPIC
1:00 pm	Introductions & Objectives
1:05 pm	Accessibility accommodations
1:15 pm	Check in
1:25 pm	Closing the feedback loop
1:40 pm	2024 CBIAG Roadmap

2:30 pm	Break
2:40 pm	Rate Case Updates
3:00 pm	Small Scale Renewable Workshop Update
3:10 pm	Public Comment
3:20 pm	Next Steps

Attendees

CBIAG Attendees

Kate Ayers	Community Energy Project (CEP)
Patrice Hanlon	Josephine Foodbank
Jennifer Gustafson	AllCare Health
Erica Ledesma	Coalicion Fortaleza
Hannah Lewis	Rural Development Initiative (RDI)
Tim Lynch	Multnomah County
Kendra Schaffer	Rural Development Initiative (RDI)
Xitlali Torres	Verde
Yahaira Torres	Rural Development Initiative (RDI)
Erubiel Valladares	Rural Development Initiative (RDI)
Siraat Younas	Community Energy Project (CEP)

Presenters

Matthew McVee	Vice President, Regulatory Policy & Operations
Aivars Meldrajs	Planning & Financial Analysis Manager
Christina Medina	Stakeholder Policy & Engagement Manager
Jeffrey Daigle	E Source, Facilitation Team

Public Attendees

Brandon Writtenberry	Health Insight
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PacifiCorp Attendees

Kimberly Alejandro	Equity Analyst
Stephanie Meeks	Regulatory Manager, Regulatory Policy & Operations
Tag Galvin-Darnieder	E Source, Facilitation Team
Morgan Westberry	E Source, Facilitation Team

Meeting Notes

Introduction

Pacific Power's Christina Medina welcomed the attendees, thanked the members for joining, and encouraged participants to share their perspectives in the meeting, or by following up with her afterward. It was also shared that due to weather and climate events, and to lessen the pressures around barriers to access and participation, the January CBIAG Meeting will be recorded. This comes after winter storms affected the area and to be proactive in distributing the content.

E Source's Jeffrey Daigle provided meeting experience items, provided an overview of the agenda and objectives, introduced the presenters, and encouraged participation by members during the meeting, as well as after the meeting via the inaugural post-meeting survey.

Jeffrey Daigle also touched on accessibility. Mr. Daigle shared what currently is being done to increase accessibility in this engagement space, but also asked for any recommendations on other methods to achieve accessibility in Oregon engagements.

Chat Comments & Questions:

- Multnomah County shared: "No objections here, thanks!"
- Coalicion Fortaleza stated: "Accessibility is amazing!"

Check In

All CBIAG members "checked-in" by responding to the prompt: *If someone came to your community, what is the one thing you'd tell them they can't miss?* The group shared their favorite things about the communities and experiences that are 'essential' to share with people that are visiting.

Closing the Loop from the Last Meeting

E Source's Jeffrey Daigle shared an overview of the December CBIAG meeting and summarized the themes and questions resulting therefrom.

December Goals:

1. Review and validate 2024 CBIAG planning exercise
2. Resurface the Clean Energy Benefits Survey and Small-Scale Renewables
3. Discuss the 2024 Draft Perspective

December Themes:

- Development of 2024 Roadmap, as well as discussion on other tools and resources that would be beneficial for members
- Clean Energy Benefits Survey overview and discussion on future efforts in this space

2024 CBIAG Roadmap

Pacific Power's Christina Medina and E Source's Jeffrey Daigle centered on the goals, objectives, and desired outcomes of HB2021, the legislation that convened the CBIAG. One outcome of HB2021 expanded on at this January CBIAG was the Biennial Report.

Section 6 of HB 2021 asks for the utility, with consultation from the CBIAG, to file a biennial report that assesses the community benefits and impacts of the electric company. The report must include a description of the following categories:

- Energy burden and disconnections for residential customers and disconnections for small commercial customers
- Opportunities to increase contracting with businesses owned by women, veterans or Black, Indigenous, or People of Color
- Actions within environmental justice communities within the electric company’s service territory intended to improve resilience during adverse conditions or facilitate investments in the distribution system including investments in facilities that generate non emitting electricity
- Distribution of infrastructure or grid investments and upgrades in environmental justice communities in the electric company’s service territory, including infrastructure or grid investments that facilitate the electric company’s compliance with the clean energy targets set forth in section 3 of this 2021 Act
- Social, economic, or environmental justice co-benefits that result from the electric company’s investments, contracts, or internal practices;
- Customer experience, including a review of annual customer satisfaction surveys;
- Actions to encourage customer engagement
- Other items as determined by the electric company and the electric company’s Community Benefits and Impacts Advisory Group.

The Biennial Report, which is due two years after the CBIAG convened, will be a theme for the year 2024. As it is being developed, the CBIAG members will hear agenda items aimed at fulfilling the report's requirements and will play an important role in reviewing the submission's content.

In structuring the roadmap for the year, the Engagement Team sought to break up the agenda into two ‘Acts’. This update is driven from CBIAG feedback on meeting structure consistency.

- ‘Act 1’ – Standing agenda items & CBIAG Biennial Report Topic
- ‘Act 2’ – Pacific Power Updates & Next Steps

The proposed topics for the year can be found in the table, below. Please note this is subject to change.

January Online	Biennial Report Planning Rate Case Updates
February Hybrid	Overview of the filing and outline Equity in Contracting
March Online	CBI Health & Community Wellbeing Low-income assistance programs
April Hybrid	CBI Resilience Wildfire Customer Satisfaction
May Online	CBI Environmental Impacts CEP & IRP Updates
June Hybrid	CBI Energy Equity

July Online	CBI Economic Impacts
August Hybrid	Parking lot items Field trip to Louis River Dam & Facilities
September Online	Draft Review
October Hybrid	Draft Review Continued
November	No Meeting
December Online	End of the Year Reflection 2025 Planning

Additional engagement spaces in Oregon were also shared with the group and will be updated throughout the year.

Chat Comments & Questions:

- AllCare Health shared: “I appreciate the thoughtfulness behind this approach”
- Multnomah County stated: “This is great, appreciate you putting it together like this!”

Break

Rate Case Update

Pacific Power’s Matthew McVee introduced regulation updates to the group, including providing information on the upcoming rate case filing that Pacific Power will apply for.

Mr. McVee initiated the presentation by introducing Utility Commissions across the nation and their general role. Regulatory Commissions, which are found in every state, are entities that are crucial to ensuring heavy capital investments aren’t duplicated to prevent economic waste (i.e., pipes, lines, etc.). In Oregon, this duplication was prevented by establishing exclusive service territories. However, these exclusive territories mean that there is no competition, which is why it must be regulated by the Commission.

There are two components to rates:

1. Fixed Costs -The cost/investment of all infrastructure (e.g., transmission lines, etc.) and operations
2. Net Power Cost – Cost of buying or producing power for all customers
 - a. This is calculated on an annual filing (also called the Transmission Adjustment Mechanism) and includes factors such as: fuel costs from thermal resources, power purchases from market and the offset of costs from the zero cost resources (wind/solar).

These investments (fixed costs) are the only item investors can receive a return on, through the rate base. This is done because of the United States goal to electrify incentivized utilities to increase investment in infrastructure and increase access to electrical service.

$$\begin{array}{r}
 \text{Expenses} \\
 + (\text{Rate Base} \times \text{Cost of Capital}) \\
 \hline
 \text{Revenue Requirements}
 \end{array}$$

Oregon rate cases take around 10 months from the time of filing, and includes the following steps:



1. Rate Case Submitted
2. PUC Conducts Investigation on Filed Application
3. Evidentiary Hearings
4. Public Comment Hearings
5. Final Order & Public Notification

Pacific Power plans on filing the application to the Commission in February. The filing is driven by the major capital investments in transmission and renewable generation, as well as investments in customer service software that are long overdue and crucial to cyber security and customer satisfaction. The transmission system investments are important as we look to joining markets in the West. Having access to markets is key as we decarbonize our system and assist the Company when there is a significant impact on the service area, such as the extreme cold snap that was experienced in the Northwest mid-January 2024. During this storm PacifiCorp was able to make purchases from the Southwest to meet their system's need, and because of their transmission system, they did not have to pay multiple transmission fees to get the energy where it was needed. Also, additional investments in the case allow us to deliver more wind energy out of Wyoming and into the system. Most of the renewable generation investments are wind projects located in Wyoming, that provide a higher output that is more consistent, which means more zero cost of energy for customers. We evaluate these renewable generation investments by looking at the cost of the investments and how much it will benefit our customers with zero costs of energy.

Working on Mitigate Customer Impact

In recognizing everything happening, we see that the cost of energy has gone up substantially in the last five years, as much as double-digit increases of energy costs on the wholesale markets. We recognize that this leads to a lot of cross pressure, along with impacts of the energy resource transition, dealing with the increase risks of wildfire, and the impacts of inflation, we have several options to help address the concerns of our customers that are at the lower end of the economic spectrum. We have our tariff that changed out of our last rate case, which is the Oregon Low-Income Discount program, that provides a 20% or 40% discount depending on the essential how much of a percentage to the Oregon median income those customers have. We have the Low-income Home Energy Assistance Program (LIHEAP), which if you qualify for LIHEAP you are automatically put on the 20% discount. However, if you are less than 20% of the Oregon median income then you are qualified for the 40% discount. There is also the Oregon Energy

Fund, and we also have the Low-Income Weatherization program. We look forward to this rate case where there is an opportunity for more discussion on these and how we can mitigate as many impacts from the rate case as we can. Rate cases are necessary to make sure we are making the investments, we get recovery of the investments, which allows us to continue to make investments into the energy transition.

There are a lot of opportunities to participate in rate cases. You can track the case on the Oregon Commission's website, sign up to be on the mailing list from the Oregon commission, or you can participate as a party. Being a party to the case does get very formal with the legal briefings, testimony, and hearings. It is fairly-labor intensive to fully participate, which is why the Intervenor funding was established.

Comments & Questions:

- Multnomah County thanked Matt for the information and asked for clarity on the public comment cycle/period and how much of an impact can be made if the organization is not a participating party.
 - Pacific Power's Matthew McVee responded that this is an important part of the CBIAG and continuing to have these conversations, even prior to filing. As far as intervening, an intervenor doesn't have to intervene for the entire process. It is a fairly straightforward process, where the intervenor will receive a 'protective order' that allows sharing of confidential or proprietary information.
 - Matthew McVee continued by explaining that the rate case is broken into three components
 - Revenue requirements – The charges needed to recover costs, including investments, return on investments, and compensation for the debt that has been taken out. Shareholders can receive a return on a portion of investments incurred. In Oregon, roughly 50% of all infrastructure investments are paid for by shareholders and the rest is financed through debt.
 - Rate spread – The portion paid by different customer types (i.e., industrial, residential, etc.). The theory behind this aspect is that there are different types of costs caused by different customer classes. For example, residential customers are generally more expensive to serve because of the infrastructure needs; however, industrial customers may have a tremendous load that needs to be planned for.
 - Rate design – The costs associated with programs, such as low-income programs or net metering. This involves policy decisions on where funding should be spent and to what goals are being worked on (i.e., decarbonization and incentivizing heat pumps).
- Multnomah County thanked the subject matter expert and engagement team for this information, which was very helpful and Matthew McVee offering to come back to the CBIAG for updates on the case and for more information.
- Multnomah County also said it would be helpful to know the types of intervenors typically participating in the rate cases, which can help align efforts and get the land's lay.

- A RDI participant asked via chat: “How far can testimonies influence the executive body? And how far can a comment do the same?”
 - Response - Depending on comment and testimony. The comments are of record in the case, and can influence the utilities, parties, and the commission.
- A CEP member stated via chat: “Thank you, Matt! It would be great to have you back once the filing comes through!”

Small-Scale Renewable (SSR) Engagement

Pacific Power’s Aivars Meldrajs provided an update on small scale renewable engagements. The Pre-Issuance Bidder Workshop will be held to provide details regarding RFP timeline, eligibility requirements, interconnection requirements and bid evaluation methodology. Time for bidder questions and comments will be provided.

The workshop will be held January 24, 2024, from 2:00-4:00 p.m. PST.

Additional questions may be sent to: 2024SSR_RFP@pacificcorp.com

Chat Questions and Comments:

- A CEP member asked: “Will you be looking for feedback on the RFP details or is this more informational?”
 - Pacific Power’s Aivars Meldrajs responded that this will be more informational in nature and provided contact information for more detailed questions.

Meeting Close

Public Comment

There was no public comment

Check Out Question:

E Source’s Jeffrey Daigle lead the checkout question: *What was your biggest takeaway from today’s conversation?*

- Multnomah County appreciates the planning work that went into the content presented today, noting that it helps get a sense of the flow and efforts that will be tackled this year. The roadmap is extremely helpful in knowing what to be prepared for and who to connect with outside this space.
- Verde shared via chat: “My biggest takeaways were appreciating the proposed calendar and agenda breakdown, and the rate case equation was helpful to conceptualize”
- CEP shared via chat: “My takeaway is that the rate case breakdown was very helpful. It had me thinking of how we can work together in ways to advocate for the customers we work closest with.”

Next Steps

Pacific Power's Christina Medina closed out the meeting by providing context on next steps. Christina also ruminated on the opportunity this engagement lends to learning how to better community with each other. Pacific Power will continue to evolve and is looking forward to the next year of work with the CBIAG members.

If you have not already, please participate in the post-meeting survey:

<https://forms.office.com/r/7xFTTh0msYf>