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February 26, 2024

Dear Maria Pope,

We write as a coalition of non-profits, government entities, and energy advocates in order to express our concerns with the draft proposal regarding anti-consumer changes to Portland General Electric's (PGE) net

energy metering (NEM) program in Oregon. This is the wrong time to consider cutting net metering; in fact, PGE and other utilities in Oregon should be expanding net metering programs in order to increase clean energy equity and make faster progress on clean energy goals. We urge PGE to delay any changes to NEM until PGE can conclusively show that the company is on track to meet 2040 clean energy requirements, that solar access is more wide-spread, especially for low- and moderate-income customers, and that any changes PGE proposes will actually result in an increase in solar and battery storage adoption.

The current NEM program is simple and equitable, as shown by the fact that access to solar by underserved communities is on the rise. A Berkeley National Lab study shows that half of all new solar in Oregon went into households making \$100K or less. More low- and moderate-income (LMI) households went solar than those making above \$250,000. NEM is a critical reason why rooftop solar is increasingly becoming available to LMI customers. Combined with new state, federal and utility incentive programs to offset the cost of solar for LMI customers – like the Oregon Solar + Storage Rebate Program and the forthcoming federal Solar for All program – doors to solar are opening for LMI households, positioning this trend to accelerate. PGE's proposed NEM changes require expensive battery backup systems, a prohibitive upfront cost for many LMI customers. While customers who are registered in the Income Qualified Bill Discount (IQBD) Program would be exempt from the proposed changes, not even a fraction of one percent IQBD customers are current NEM customers. As we have seen in nearby states like Nevada and California, if net metering programs are rolled back in any way, it will prevent LMI customers from going solar at all, leaving federal dollars slated for Oregon low-income solar to go unused. Any change in NEM should make it *easier* for LMI customers to go solar, not harder. On the heels of double-digit rate increases, everyone, and especially LMI households, deserve to have simple, easy to understand programs continue that allow them to save on their utility bills.

In addition to protecting LMI ratepayers, PGE should keep Oregon's climate laws at the forefront. At this time, it is not clear that PGE is on track to meet its 2040 clean energy goals or preceding benchmarks, including Community Based Renewable Energy resource targets. Current plans rely on new transmission lines being built in order to meet its goals, but it is far from clear that new transmission lines will be in operation any time soon. Net metered solar does not rely on transmission lines – it relies on private investment and local, state and federal incentives to create a system of distributed generation that is clean and close to load. Since net metering will help PGE meet its annual clean energy goals, any changes in net metering should only focus on directly reducing the cost of customer-sited batteries, not penalizing the installation of rooftop solar.

We are excited by the prospect that battery storage brings to the clean energy economy and hope to see PGE continue to adopt storage on the system and incentivize residential and commercial storage, in addition to microgrids. We encourage you to expand PGE's storage pilot program and increase storage incentives, instead of penalizing LMI and middle-income customers who cannot afford to invest in storage themselves. However, we cannot continue to only have small pilots – it is clear that we need more battery storage on the grid as soon as possible. PGE should learn lessons from California; after NEM was rolled back, demand for rooftop solar dropped by 80%, which also resulted in a drop in battery installations. PGE should broadly incentivize storage, create programs for Virtual Power Plants and demand response which will ultimately be cheaper for all ratepayers.

While PGE staff have engaged in preliminary outreach to some stakeholders about the NEM proposal, many key community groups and organizations have not yet provided any formal feedback, including many of us represented here. Some initial concerns have been noted in the proposal content, but do not capture the full range of issues. Bringing this proposal in front of the Public Utility Commission without further engagement, analysis of impact, and greater certainty about compensation frameworks would be premature.

We respectfully ask that before PGE proposes any changes to net metering at the Public Utility Commission the company clearly show that the proposal will increase net metering and battery storage adoption. We ask that

PGE demonstrate to stakeholders how any efforts to change net metering will increase LMI solar adoption and help the company meet its 2040 clean energy goals and benchmarks.

Sincerely,

Coalition of Communities of Color City of Portland, Bureau of Planning and Sustainability

Sierra Club Self-Enhancement, Inc Oregon Just Transition Alliance

Self Enhancement, Inc 1,000 Friends of Oregon Green Energy Institute

350 Washington County Electrify Now Mobilizing Climate Action Together

Environment Oregon OSPIRG 350 Salem

Columbia Riverkeeper 350 Deschutes Third Act Oregon

Solar United Neighbors Sustainable Northwest Climate Reality Project

Citizens for a Better Lincoln County Solar Oregon 350 Eugene

Oregon Solar + Storage Industries Association Southern Oregon Climate Action Now (SOCAN)

Consolidated Oregon Indivisible Network (COIN) Climate, Energy and Environment Team

Oregon Physicians for Social Responsibility

Northwest Energy Coalition

cc Kristen Sheeran

Riley Peck

Sam Newman

Commissioner Megan Decker

Commissioner Letha Tawney

Commissioner Les Perkins

Sen. Rob Wagner

Sen. Janeen Sollman

Speaker Dan Rayfield

Rep. Pam Marsh

Karin Power

Caroline Moore

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Madison Bolton

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Gosia Wozniacka