



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Barofsky, McRae and Schlossberg
FROM: Megan Capper, Energy Resources Manager; Jonathan Hart, Power Trader
DATE: November 1, 2022
SUBJECT: New PURPA Standards – Demand Response & Vehicle Electrification
OBJECTIVE: Information Only

Issue

Recent legislative changes to the federal Public Utility Regulatory Policies Act (“PURPA”) requires EWEB to consider and respond to new energy efficiency standards before November 15, 2023.

Background

PURPA was enacted in 1978 to promote energy efficiency, conservation, and to encourage independent generation. PURPA requires both regulated and non-regulated utilities (like consumer-owned utilities here in Oregon) to 1) make mandatory purchases from certain qualifying generators and 2) consider certain federal standards when setting their rates and practices.

When new standards are added to PURPA, non-regulated utilities with retail electric sales in excess of 500 million kilowatt-hours must consider adoption of those standards. The Oregon Public Utility Commission’s 2021 Oregon Utility Statistics Report indicates that EWEB made retail sales of 2,301,228 megawatt-hours in 2021, meaning that EWEB is subject to this PURPA requirement.

In 2021, Infrastructure Investment and Jobs Act (“IIJA”) resulted in a change to federal standards included in PURPA. The two new sections added to Section 111(d) of PURPA, relate to demand-response and electric vehicle charging programs. The amendments require EWEB, as a qualifying non-regulated utility, to conduct hearings to consider the new standards.

Discussion

Demand Response

EWEB must consider ways to promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.

Electric Vehicle Charging

EWEB must consider ways to promote electrification of the transportation sector, including establishing rates that

1. Promote affordable and equitable electric vehicle charging options for residential,

- commercial, and public electric vehicle charging infrastructure;
2. Improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;
 3. Accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and
 4. Appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.

To maintain compliance with PURPA, EWEB must, before November 15, 2022, begin a process to review and consider the new standards. Further, staff must determine whether implementation of each standard is appropriate by November 15, 2023. Such consideration must be made in writing and only after a public hearing on the new standards.

In accordance with these requirements, staff will begin review and consideration of the standards. This memorandum serves to launch the review and consideration process. Public comment on the issues is welcome, and there will be a properly noticed public hearing on the standards in 2023.

Requested Board Action – None at this time. This is an information update only.