2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 76 **STATUS:** B-Engrossed
SUBJECT: Requires the Public Utility Commission to determine depreciation schedules for Klamath River dams based on assumptions that the dams will be removed in 2020, and to establish surcharges and administer trust accounts related to the cost of removing these dams.
GOVERNMENT UNIT AFFECTED: Public Utility Commission
PREPARED BY: Kim To
REVIEWED BY: Michelle Deister
DATE: June 1, 2009

	2009-2011	2011-2013
EXPENDITURES:		
See Comments		

EFFECTIVE DATE: On Passage

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: SB 76 enacts provisions related to a Klamath Agreement in Principle signed by the States of Oregon and California, the U.S. Government, and PacifiCorp to facilitate the removal of Klamath River dams. The Agreement and the provisions of the bill require the Public Utility Commission (PUC) to set rates that "…allow PacifiCorp to recover Oregon's fair share of PacifiCorp's undepreciated investment in the dams …" and other related costs. These costs will be passed on to ratepayers.

The bill has an indeterminate, minimal, fiscal impact on the PUC. The PUC notes that workload from revised depreciation schedules, calculating new surcharges and authorizing tariffs, and reviewing power and replacement costs are all within the scope of planned work of the PUC. However, there could be costs related to establishing trusts and the maintenance and administrative work related to the trust accounts, including audits.