

**REVENUE:** No revenue impact

**FISCAL:** No fiscal impact

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<b>Action:</b>	Do Pass the A-Engrossed Measure
<b>Vote:</b>	6 - 0 - 0
<b>Yeas:</b>	Atkinson, Burdick, Edwards, Girod, Starr, Beyer
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Richard Berger, Administrator
<b>Meeting Dates:</b>	5/19

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**WHAT THE MEASURE DOES:** Requires surcharge PacifiCorp collects from customers to recover costs to remove Klamath Dams to account for actual and expected changes in energy usage over time and account for actual and expected changes in the interest rates on the collected funds. Allows Public Utilities Commission to establish trust accounts for collected surcharges with the State Treasurer, to be invested according to statutory regulations. Allows Commission to establish each of the two trust accounts with a different trustee.

**ISSUES DISCUSSED:**

- Measure is the result of a work group
- What happens to funds if dams are not removed
- Flexibility in investing money set aside for dam removal

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Senate Bill 76 (2009) directed PacifiCorp to collect a surcharge from its customers for the purpose of paying the costs to remove the J.C. Boyle Dam, and another surcharge for removing Copco 1 Dam, Copco 2 Dam, and Iron Gate Dam on the Klamath River. The surcharges collected are not to exceed Oregon's \$184 million share of the customer contribution of \$200 million. Currently, industrial customers have experienced a higher percentage increase in rates compared to residential customers. Under current law, if one or more dams are not removed, the excess amounts left in the trust account will be used to implement relicensing requirements.