HB 2242-4 (LC 2373) 2/11/19 (MAM/ps)

Requested by Representative HELM

## PROPOSED AMENDMENTS TO HOUSE BILL 2242

1 On <u>page 1</u> of the printed bill, line 2, after "ORS" delete the rest of the 2 line and line 3 and insert "756.010, 757.072 and 757.230.".

3 Delete lines 5 through 25 and insert:

4 **"SECTION 1.** ORS 756.010 is amended to read:

5 "756.010. As used in ORS chapters 756, 757, 758 and 759, except as other-6 wise specifically provided or unless the context requires otherwise:

7 "(1) 'Commission' means the Public Utility Commission of Oregon.

8 "(2) 'Commissioner' means a member of the Public Utility Commission of9 Oregon.

"(3) 'Customer' includes the patrons, passengers, shippers, subscribers, users of the service and consumers of the product of a public utility or telecommunications utility.

"(4) 'Environmental justice' means equal protection from environ mental and health hazards and meaningful public participation in de cisions that affect the environment in which people live, work, learn,
 practice spirituality and play.

"(5) 'Environmental justice communities' includes communities of color, communities experiencing lower incomes, tribal communities and other communities traditionally underrepresented in public processes, including but not limited to seniors, youth and persons with disabilities. 1 "[(4)] (6) 'Municipality' means any city, municipal corporation or quasi-2 municipal corporation.

"[(5)] (7) 'Person' includes individuals, joint ventures, partnerships, corporations and associations or their officers, employees, agents, lessees,
assignees, trustees or receivers.

6 "[(6)] (8) 'Public utility' has the meaning given that term in ORS 757.005.

"[(7)] (9) 'Rate' means any fare, charge, joint rate, schedule or groups of
rates or other remuneration or compensation for service.

9 "[(8)] (10) 'Service' is used in its broadest and most inclusive sense and 10 includes equipment and facilities related to providing the service or the 11 product served.

"[(9)] (11) 'Telecommunications utility' has the meaning given that term
 in ORS 759.005.

14 "SECTION 2. ORS 757.230 is amended to read:

"757.230. (1) The Public Utility Commission shall provide for a compre-15hensive classification of service for each public utility, and such classifica-16 tion may take into account the quantity used, the time when used, the 17 purpose for which used, the existence of price competition or a service al-18 ternative, the services being provided, the conditions of service, differential 19 energy burdens on low-income customers and other economic, social 20equity or environmental justice factors that affect affordability for 21certain classes of utility customers, and any other reasonable consider-22ation. Based on such considerations the commission may authorize classi-23fications or schedules of rates applicable to individual customers or groups 24of customers. The service classifications and schedule forms shall be designed 25consistently with the requirements of ORS 469.010. Each public utility is 26required to conform its schedules of rates to such classification. If the 27commission determines that a tariff filing under ORS 757.205 results in a rate 28classification primarily related to price competition or a service alternative, 29 the commission, at a minimum, shall consider the following: 30

HB 2242-4 2/11/19 Proposed Amendments to HB 2242 "(a) Whether the rate generates revenues at least sufficient to cover relevant short and long run costs of the utility during the term of the rates;
"(b) Whether the rate generates revenues sufficient to insure that just and

4 reasonable rates are established for remaining customers of the utility;

5 "(c) For electric and natural gas utilities:

6 "(A) Whether it is appropriate to incorporate interruption of service in 7 the utility's rate agreement with the customer; and

8 "(B) Whether the rate agreement requires the utility to acquire new re9 sources to serve the load; and

"(d) For electric utilities, for service to load not previously served, the effect of the rate on the utility's average system cost through the residential exchange provision of the Pacific Northwest Electric Power Planning and Conservation Act of 1980, Public Law 96-501, as amended.

"(2) The commission may prescribe such changes in the form in which the schedules are issued by any public utility as may be found to be expedient. The commission shall adopt rules which allow any person who requests notice of tariff filings described under subsection (1) of this section to receive such notice.".

19 On page 2, delete lines 1 through 23.

In line 24, delete "4" and insert "3".

In line 37, after "low-income" insert "residential" and after "or" insert residential".

23 On page 3, delete lines 8 through 37 and insert:

"<u>SECTION 4.</u> Section 5 of this 2019 Act is added to and made a part
 of ORS chapter 756.

26 "<u>SECTION 5.</u> (1) The Office of the Low-Income and Environmental 27 Justice Advocate is established in the Public Utility Commission. The 28 office is under the supervision and control of the Low-Income and 29 Environmental Justice Advocate, who is responsible for the perform-30 ance of the duties, functions and powers of the office.

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"(2) The commission shall organize the Office of the Low-Income 1 and Environmental Justice Advocate as a separate and independent  $\mathbf{2}$ division of the commission and shall take all actions necessary to 3 avoid a conflict of interest or the appearance of a conflict of interest 4 on the part of the commission or the advocate in the discharge of the  $\mathbf{5}$ responsibilities of the commission or the advocate, respectively. The 6 commission shall separately budget the compensation and expenses to 7 be paid for the office. 8

"(3) The commission shall appoint the Low-Income and Environ-9 mental Justice Advocate, who will be responsible for representing 10 low-income and environmental justice communities in the proceedings 11 of the commission. The commission may delegate the duties to appoint 12and supervise the advocate to an officer of the commission, if the 13 commission determines that the delegation is necessary to meet the 14 requirements of subsection (2) of this section. In appointing the advo-15cate, the commission shall consult with: 16

"(a) Members of the low-income and environmental justice com munities; and

"(b) The chairperson of the Environmental Justice Task Force, or
 the chairperson's designee.

"(4) The Low-Income and Environmental Justice Advocate shall be
a person who has:

"(a) Significant background and experience working in low-income
 and environmental justice communities, with an emphasis on experi ence in evaluating the impacts of energy burdens on low-income and
 environmental justice communities; and

27 "(b) Experience in proceedings before the commission or in similar
 28 forums.

"(5) Subject to the availability of funds and the applicable pro visions of ORS chapter 240, the advocate may hire staff and execute

contracts to carry out the duties, functions and powers of the office
 and shall prescribe their duties and fix compensation or amounts.

"(6) If the advocate determines that any commission proceeding may affect the interests of utility customers from low-income or environmental justice communities, the Office of the Low-Income and Environmental Justice Advocate may, upon exercise of the independent judgement of the office, intervene as of right as an interested party or otherwise participate in the proceeding.

9 "(7) The advocate shall convene a low-income and environmental 10 justice advisory group to advise the Office of the Low-Income and 11 Environmental Justice Advocate in the discharge of the duties of the 12 office.

"(8) The advocate shall participate as a division of the Public Utility
 Commission in carrying out the responsibilities of the commission
 under ORS 182.550.

"(9) Upon request by the Office of the Low-Income and Environ mental Justice Advocate, the Attorney General shall furnish to the
 office such attorneys as the office finds necessary.

"SECTION 6. The Office of the Low-Income and Environmental
Justice Advocate shall provide a report on the activities of the office,
in the manner provided under ORS 192.245, to the interim committees
of the Legislative Assembly related to energy no later than December
1, 2021. The report:

"(1) Shall include a description and assessment of the work of the
office, including any major milestones accomplished by the office; and
"(2) May include recommendations, including recommendations for
legislation, for changes to the form or function of the office including,
but not limited to, recommendations for increasing the staff or other
resources available to the office.

30 "SECTION 7. (1) The Public Utility Commission shall establish a

public process for the purpose of investigating ways to address and mitigate, through nonbypassable means, differential energy burdens on classes of public utility customers and other inequities of affordability and environmental justice. As part of the public process established under this subsection, the commission shall:

"(a) Investigate the potential for demand response, weatherization
and other programs to reduce energy burdens and energy bills;

6 "(b) Investigate the potential for mitigation of energy burdens 9 through bill reduction measures or programs that may include, but 10 need not be limited to, establishing a bill credit program, a low-income 11 rate classification or a multifamily rate classification; and

"(c) Study best practices from around the country for delivery of
 programs and creation of systems that mitigate differential energy
 burdens.

"(2) As part of the public process established under subsection (1)
 of this section, the commission shall provide the public with an op portunity to comment.

"(3) The commission shall incorporate the findings of the public process established under subsection (1) of this section into the commission's report for the year 2020 that the commission is required to provide to the Environmental Justice Task Force and to the Governor under ORS 182.550.

23 "SECTION 8. (1) Section 6 of this 2019 Act is repealed on January
24 2, 2022.

<sup>25</sup> "(2) Section 7 of this 2019 Act is repealed on January 2, 2021.".

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