

Requested by Representative MCKEOWN

**PROPOSED AMENDMENTS TO
HOUSE BILL 4135**

1 On page 1 of the printed bill, delete lines 4 through 23 and delete pages
2 2 through 5 and insert:

3

4 **“PROVISIONS RELATED TO ELECTRIC COMPANIES**

5

6 **“SECTION 1. (1) Sections 2 to 4 of this 2020 Act are added to and**
7 **made a part of ORS chapter 757.**

8 **“(2) ORS 757.357 is added to and made a part of sections 2 to 4 of**
9 **this 2020 Act.**

10 **“SECTION 2. As used in sections 2 to 4 of this 2020 Act:**

11 **“(1) ‘Clean fuels program’ has the meaning given that term in ORS**
12 **468A.265.**

13 **“(2) ‘Credit’ has the meaning given that term in ORS 468A.265.**

14 **“(3) ‘Credit aggregator’ has the meaning given that term in ORS**
15 **468A.265.**

16 **“(4) ‘Credit generator’ has the meaning given that term in ORS**
17 **468A.265.**

18 **“(5) ‘Electric company’ has the meaning given that term in ORS**
19 **757.600.**

20 **“(6) ‘Retail electricity consumer’ has the meaning given that term**
21 **in ORS 757.600.**

1 **“(7) ‘Transportation electrification’ means:**

2 **“(a) The use of electricity from external sources to provide power**
3 **to all or part of a vehicle;**

4 **“(b) Programs related to developing the use of electricity for the**
5 **purpose described in paragraph (a) of this subsection; and**

6 **“(c) Infrastructure investments related to developing the use of**
7 **electricity for the purpose described in paragraph (a) of this sub-**
8 **section.**

9 **“(8) ‘Vehicle’ means a vehicle, vessel, train, boat or any other**
10 **equipment that is mobile.**

11 **“SECTION 3. (1) Subject to subsection (3) of this section, an electric**
12 **company that is a credit aggregator or credit generator and that re-**
13 **ceives revenues through the sale of credits under the clean fuels pro-**
14 **gram shall use the revenues for programs to support the acceleration**
15 **of transportation electrification. An electric company shall file with**
16 **the Public Utility Commission proposed programs consistent with the**
17 **requirements of subsection (2) of this section.**

18 **“(2) Programs to support the acceleration of transportation**
19 **electrification funded with clean fuels program revenues must:**

20 **“(a) Support the goal of electrifying Oregon’s transportation sec-**
21 **tors;**

22 **“(b) Provide a majority of the benefits to residential electricity**
23 **customers;**

24 **“(c) Provide benefits to traditionally underserved communities;**

25 **“(d) Be designed to be independent from ratepayer support;**

26 **“(e) Be developed collaboratively and transparently; and**

27 **“(f) Maximize the use of clean fuels program revenues for imple-**
28 **mentation of the programs.**

29 **“(3) An electric company is not subject to this section if the electric**
30 **company receives a level of annual revenues through the sale of**

1 credits under the clean fuels program that is below a threshold level
2 established by the commission by rule.

3 “(4) The commission may, by rule or order, adopt additional pro-
4 gram design guidance or a program selection process to guide electric
5 companies in the use of clean fuels program revenues.

6 “(5) The commission shall submit an annual report to the Legisla-
7 tive Assembly on the programs to support acceleration of transporta-
8 tion electrification funded by electric companies with clean fuels
9 program revenues. The report shall be submitted in the manner pro-
10 vided in ORS 192.245, and shall include an explanation of how the
11 programs align with the principles set forth in subsection (2) of this
12 section. The report required by this subsection may be combined with
13 the report required under section 4 of this 2020 Act.

14 “SECTION 4. (1) An electric company shall invest no less than one
15 half of one percent of the total rates collected annually by the electric
16 company from retail electricity consumers in programs to support the
17 acceleration of transportation electrification. An electric company
18 shall file an application with the Public Utility Commission for ac-
19 ceptance of a proposed program funded with revenues collected under
20 this section. Applications filed under this section are subject to ORS
21 757.357.

22 “(2) The commission shall submit an annual report, in the manner
23 provided in ORS 192.245, to the Legislative Assembly on the programs
24 funded as required by this section.

25 “SECTION 5. ORS 757.357 is amended to read:

26 “757.357. [(1) As used in this section:]

27 “[*(a) ‘Electric company’ has the meaning given that term in ORS 757.600.*]

28 “[*(b) ‘Transportation electrification’ means:*]

29 “[*(A) The use of electricity from external sources to provide power to all*
30 *or part of a vehicle;*]

1 “[B] *Programs related to developing the use of electricity for the purpose*
2 *described in subparagraph (A) of this paragraph; and]*

3 “[C] *Infrastructure investments related to developing the use of electricity*
4 *for the purpose described in subparagraph (A) of this paragraph.]*

5 “[c] *‘Vehicle’ means a vehicle, vessel, train, boat or any other equipment*
6 *that is mobile.]*

7 “[2] (1) The Legislative Assembly finds and declares that:

8 “(a) Transportation electrification is necessary to reduce petroleum use,
9 achieve optimum levels of energy efficiency and carbon reduction, meet fed-
10 eral and state air quality standards, meet this state’s greenhouse gas emis-
11 sions reduction goals described in ORS 468A.205 and improve the public
12 health and safety;

13 “(b) Widespread transportation electrification requires that electric com-
14 panies increase access to the use of electricity as a transportation fuel;

15 “(c) Widespread transportation electrification requires that electric com-
16 panies increase access to the use of electricity as a transportation fuel in low
17 and moderate income communities;

18 “(d) Widespread transportation electrification should stimulate innovation
19 and competition, provide consumers with increased options in the use of
20 charging equipment and in procuring services from suppliers of electricity,
21 attract private capital investments and create high quality jobs in this state;

22 “(e) Transportation electrification and the purchase and use of electric
23 vehicles should assist in managing the electrical grid, integrating generation
24 from renewable energy resources and improving electric system efficiency
25 and operational flexibility, including the ability of an electric company to
26 integrate variable generating resources;

27 “(f) Deploying transportation electrification and electric vehicles creates
28 the opportunity for an electric company to propose, to the Public Utility
29 Commission, that a net benefit for the customers of the electric company is
30 attainable; and

1 “(g) Charging electric vehicles in a manner that provides benefits to
2 electrical grid management affords fuel cost savings for vehicle drivers.

3 “[~~(3)~~] **(2)** The Public Utility Commission shall direct each electric com-
4 pany to file applications, in a form and manner prescribed by the commis-
5 sion, for programs to [*accelerate*] **support the acceleration of**
6 **transportation electrification.** A program proposed by an electric company
7 may include prudent investments in or customer rebates for electric vehicle
8 charging and related infrastructure.

9 “[~~(4)~~] *When considering a transportation electrification program and deter-*
10 *mining cost recovery for investments and other expenditures related to a pro-*
11 *gram proposed by an electric company under subsection (3) of this section, the*
12 *commission shall consider whether the investments and other expenditures:]*

13 “[*(a) Are within the service territory of the electric company;*]

14 “[*(b) Are prudent as determined by the commission;*]

15 “[*(c) Are reasonably expected to be used and useful as determined by the*
16 *commission;*]

17 “[*(d) Are reasonably expected to enable the electric company to support the*
18 *electric company’s electrical system;*]

19 “[*(e) Are reasonably expected to improve the electric company’s electrical*
20 *system efficiency and operational flexibility, including the ability of the electric*
21 *company to integrate variable generating resources; and]*

22 “[*(f) Are reasonably expected to stimulate innovation, competition and cus-*
23 *tomers’ choice in electric vehicle charging and related infrastructure and ser-*
24 *vices.]*

25 “**(3) The commission may allow an electric company to recover**
26 **costs from retail electricity consumers for prudent investments or**
27 **expenditures in infrastructure measures, including infrastructure**
28 **measures behind the meter that support the acceleration of transpor-**
29 **tation electrification in the electric company’s service territory if the**
30 **commission finds the infrastructure measures can be reasonably an-**

1 **anticipated to:**

2 **“(a) Support reductions of transportation sector greenhouse gas**
3 **emissions over time; and**

4 **“(b) Benefit the electric company’s retail electricity consumers in**
5 **ways that may include, but need not be limited to:**

6 **“(A) Supporting the electric company’s electrical system and pro-**
7 **vide distribution and transmission management benefits;**

8 **“(B) The use of revenues from electric vehicle charging to offset**
9 **utilities’ fixed costs that may otherwise be charged to retail electricity**
10 **consumers;**

11 **“(C) Reasonably expected improvements to the electric company’s**
12 **electrical system efficiency and operational flexibility, including the**
13 **ability of the electric company to integrate variable generating re-**
14 **sources, or provide other economic values inuring to the benefit of**
15 **retail electricity consumers over the long term; or**

16 **“(D) Reasonably expected increases in customer choice and access**
17 **to greater transportation electrification infrastructure and services.**

18 **“[(5)(a)] (4)(a) Tariff schedules and rates allowed pursuant to subsection**
19 **[(3)] (2) of this section:**

20 **“(A) May allow a return of and a return on an investment made by an**
21 **electric company under subsection [(3)] (2) of this section; and**

22 **“(B) Shall be recovered from all customers of an electric company in a**
23 **manner that is similar to the recovery of distribution system investments.**

24 **“(b) A return on investment allowed under this subsection may be earned**
25 **for a period of time that does not exceed the depreciation schedule of the**
26 **investment approved by the commission. When an electric company’s invest-**
27 **ment is fully depreciated, the commission may authorize the electric company**
28 **to donate the electric vehicle charging infrastructure to the owner of the**
29 **property on which the infrastructure is located.**

30 **“[(6)] (5) For purposes of ORS 757.355, electric vehicle charging**

1 infrastructure provides utility service to the customers of an electric com-
2 pany.

3 “[7] (6) In authorizing programs described in subsection [(3)] (2) of this
4 section, the commission shall review data concerning current and future
5 adoption of electric vehicles and utilization of electric vehicle charging
6 infrastructure. If market barriers unrelated to the investment made by an
7 electric company prevent electric vehicles from adequately utilizing available
8 electric vehicle charging infrastructure, the commission may not permit ad-
9 ditional investments in transportation electrification without a reasonable
10 showing that the investments would not result in long-term stranded costs
11 recoverable from the customers of electric companies.

12

13 **“PROVISIONS RELATED TO CONSUMER-OWNED UTILITIES**

14

15 **“SECTION 6. (1) As used in this section:**

16 **“(a) ‘Clean fuels program’ has the meaning given that term in ORS**
17 **468A.265.**

18 **“(b) ‘Consumer-owned utility’ has the meaning given that term in**
19 **ORS 757.600.**

20 **“(c) ‘Credit’ has the meaning given that term in ORS 468A.265.**

21 **“(d) ‘Credit aggregator’ has the meaning given that term in ORS**
22 **468A.265.**

23 **“(e) ‘Credit generator’ has the meaning given that term in ORS**
24 **468A.265.**

25 **“(f) ‘Transportation electrification’ has the meaning given that**
26 **term in section 2 of this 2020 Act.**

27 **“(2) A consumer-owned utility that is a credit aggregator or credit**
28 **generator and that receives revenues through the sale of credits under**
29 **the clean fuels program must use the revenues for programs to sup-**
30 **port the acceleration of transportation electrification, as approved by**

1 the governing body of the consumer-owned utility.

2 “(3) Programs to accelerate transportation electrification funded
3 with clean fuels program revenues must:

4 “(a) Support the goal of electrifying Oregon’s transportation sec-
5 tors;

6 “(b) Provide a majority of the benefits to residential electricity
7 customers;

8 “(c) Provide benefits to traditionally underserved communities;

9 “(d) Be designed, to the extent feasible, such that clean fuels pro-
10 gram revenues received by the consumer-owned utility are sufficient
11 to pay the costs of the programs;

12 “(e) Be developed collaboratively and transparently; and

13 “(f) Maximize the use of clean fuels program revenues for imple-
14 mentation of the programs.

15 “(4) The governing body of a consumer-owned utility subject to this
16 section shall submit an annual report to the Legislative Assembly on
17 the programs for transportation electrification funded by the
18 consumer-owned utility with clean fuels program revenues. The re-
19 port shall be submitted in the manner provided in ORS 192.245, and
20 shall include an explanation of how the programs align with the prin-
21 ciples set forth in subsection (3) of this section.

22

23

“SUNSET

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25 “SECTION 7. Sections 4 and 6 of this 2020 Act are repealed on Jan-
26 uary 2, 2026.

27

28

“MISCELLANEOUS

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30 “SECTION 8. Sections 2 to 4 and 6 of this 2020 Act and the amend-

1 **ment to ORS 757.357 by section 5 of this 2020 Act apply to rates col-**
2 **lected and programs implemented on and after January 1, 2021.**

3 **“SECTION 9. The unit captions used in this 2020 Act are provided**
4 **only for the convenience of the reader and do not become part of the**
5 **statutory law of this state or express any legislative intent in the**
6 **enactment of this 2020 Act.”.**

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