HB 4151-5 (LC 43) 2/11/20 (MAM/ps)

Requested by Representative SMITH DB

PROPOSED AMENDMENTS TO HOUSE BILL 4151

On page 1 of the printed bill, line 3, delete "297.300, 317A.100, 757.247,
 757.600, 757.649, 757.676 and 757.872;" and insert "757.357;".

³ On page 2, delete lines 17 through 45 and delete pages 3 through 15.

4 On page 16, delete lines 1 through 30 and insert:

5 "<u>SECTION 4.</u> (1) An electric company, as defined in ORS 757.600, 6 shall invest no less than one-half of one percent of the total rates de-7 scribed in subsection (2) of this section in programs to support the 8 acceleration of transportation electrification.

9 "(2) This section applies to the total rates collected annually by the 10 electric company from all retail electricity consumers located within 11 that part of the electric company's service area that is within the 12 boundaries of the metropolitan service district established under ORS 13 chapter 268.

"(3) An electric company shall file an application with the Public
 Utility Commission for acceptance of a proposed program funded with
 revenues collected under this section. Applications filed under this
 section are subject to ORS 757.357.

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

²¹ **"SECTION 5.** ORS 757.357 is amended to read:

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

² "[(a) 'Electric company' has the meaning given that term in ORS 757.600.]

3 "[(b) 'Transportation electrification' means:]

4 "[(A) The use of electricity from external sources to provide power to all 5 or part of a vehicle;]

6 "[(B) Programs related to developing the use of electricity for the purpose 7 described in subparagraph (A) of this paragraph; and]

8 "[(C) Infrastructure investments related to developing the use of electricity
9 for the purpose described in subparagraph (A) of this paragraph.]

10 "[(c) 'Vehicle' means a vehicle, vessel, train, boat or any other equipment 11 that is mobile.]

12 "(2)] (1) The Legislative Assembly finds and declares that:

"(a) Transportation electrification is necessary to reduce petroleum use,
achieve optimum levels of energy efficiency and carbon reduction, meet federal and state air quality standards, meet this state's greenhouse gas emissions reduction goals described in ORS 468A.205 and improve the public
health and safety;

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

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

"(d) Widespread transportation electrification should stimulate innovation 23and competition, provide consumers with increased options in the use of 24charging equipment and in procuring services from suppliers of electricity, 25attract private capital investments and create high quality jobs in this state; 26"(e) Transportation electrification and the purchase and use of electric 27vehicles should assist in managing the electrical grid, integrating generation 28from renewable energy resources and improving electric system efficiency 29 and operational flexibility, including the ability of an electric company to 30

1 integrate variable generating resources;

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

6 "(g) Charging electric vehicles in a manner that provides benefits to 7 electrical grid management affords fuel cost savings for vehicle drivers.

"[(3)] (2) The Public Utility Commission shall direct each electric com-8 pany to file applications, in a form and manner prescribed by the commis-9 to [accelerate] support the acceleration of sion, for programs 10 transportation electrification. A program proposed by an electric company 11 may include prudent investments in or customer rebates for electric vehicle 12 charging and related infrastructure. 13

"[(4) When considering a transportation electrification program and determining cost recovery for investments and other expenditures related to a program proposed by an electric company under subsection (3) of this section, the commission shall consider whether the investments and other expenditures:]

18 "[(a) Are within the service territory of the electric company;]

19 "[(b) Are prudent as determined by the commission;]

20 "[(c) Are reasonably expected to be used and useful as determined by the 21 commission;]

²² "[(d) Are reasonably expected to enable the electric company to support the ²³ electric company's electrical system;]

"[(e) Are reasonably expected to improve the electric company's electrical system efficiency and operational flexibility, including the ability of the electric company to integrate variable generating resources; and]

"[(f) Are reasonably expected to stimulate innovation, competition and customer choice in electric vehicle charging and related infrastructure and services.]

30 "(3) The commission may allow an electric company to recover

costs from retail electricity consumers for prudent investments or expenditures in infrastructure measures, including infrastructure measures behind the meter that support the acceleration of transportation electrification in the electric company's service territory, if the commission finds the infrastructure measures can be reasonably anticipated to:

7 "(a) Support reductions of transportation sector greenhouse gas
8 emissions over time; and

9 "(b) Benefit the electric company's retail electricity consumers in
10 ways that may include, but need not be limited to:

"(A) Supporting the electric company's electrical system and pro vide distribution and transmission management benefits;

"(B) The use of revenues from electric vehicle charging to offset
 utilities' fixed costs that may otherwise be charged to retail electricity
 consumers;

16 "(C) Reasonably expected improvements to the electric company's 17 electrical system efficiency and operational flexibility, including the 18 ability of the electric company to integrate variable generating re-19 sources, or provide other economic values inuring to the benefit of 20 retail electricity consumers over the long term; or

"(D) Reasonably expected increases in customer choice and access
 to greater transportation electrification infrastructure and services.

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

25 "(A) May allow a return of and a return on an investment made by an 26 electric company under subsection [(3)] (2) of this section; and

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

29 "(b) A return on investment allowed under this subsection may be earned 30 for a period of time that does not exceed the depreciation schedule of the investment approved by the commission. When an electric company's investment is fully depreciated, the commission may authorize the electric company
to donate the electric vehicle charging infrastructure to the owner of the
property on which the infrastructure is located.

5 "[(6)] (5) For purposes of ORS 757.355, electric vehicle charging 6 infrastructure provides utility service to the customers of an electric com-7 pany.

"(7)] (6) In authorizing programs described in subsection (3)] (2) of this 8 section, the commission shall review data concerning current and future 9 adoption of electric vehicles and utilization of electric vehicle charging 10 infrastructure. If market barriers unrelated to the investment made by an 11 electric company prevent electric vehicles from adequately utilizing available 12 electric vehicle charging infrastructure, the commission may not permit ad-13 ditional investments in transportation electrification without a reasonable 14 showing that the investments would not result in long-term stranded costs 15recoverable from the customers of electric companies. 16

"SECTION 6. Section 4 of this 2020 Act and the amendments to ORS
757.357 by section 5 of this 2020 Act become operative on January 1,
2021.".

In line 31, delete "16" and insert "7".

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