

Requested by Representative SMITH DB

**PROPOSED AMENDMENTS TO  
HOUSE BILL 4167**

1 On page 1 of the printed bill, line 2, after “ORS” delete the rest of the  
2 line and delete lines 3 through 7 and insert “184.617, 283.398, 283.401,  
3 468A.205, 468A.235, 468A.240, 468A.250, 468A.260 and 757.357; and prescribing  
4 an effective date.”.

5 Delete lines 9 through 18 and delete pages 2 through 92 and insert:  
6

7 **“STATEWIDE GREENHOUSE GAS EMISSIONS**  
8 **REDUCTION GOALS**  
9

10 **“SECTION 1.** ORS 468A.205 is amended to read:

11 “468A.205. (1) The Legislative Assembly declares that it is the [*policy*]  
12 **goal** of this state to **achieve a reduction in per capita anthropogenic**  
13 **greenhouse gas emissions levels in Oregon to equal net zero per capita**  
14 **anthropogenic greenhouse gas emissions by the year 2050.** [*reduce*  
15 *greenhouse gas emissions in Oregon pursuant to the following greenhouse gas*  
16 *emissions reduction goals:*]

17 “[*(a) By 2010, arrest the growth of Oregon’s greenhouse gas emissions and*  
18 *begin to reduce greenhouse gas emissions.*]

19 “[*(b) By 2020, achieve greenhouse gas levels that are 10 percent below 1990*  
20 *levels.*]

21 “[*(c) By 2050, achieve greenhouse gas levels that are at least 75 percent*

1 *below 1990 levels.]*

2 “(2) The Department of Environmental Quality shall annually as-  
3 sess the state’s progress toward achievement of the goal set forth in  
4 subsection (1) of this section. In calculating per capita anthropogenic  
5 greenhouse gas emissions for purposes of assessing achievement of the  
6 goal, the department shall include in the calculation the net  
7 sequestration of carbon dioxide in Oregon by natural and working  
8 lands, as defined in section 2 of this 2020 Act.

9 “[2)] (3) The Legislative Assembly declares that it is the policy of this  
10 state for state and local governments, businesses, nonprofit organizations  
11 and individual residents to prepare for the effects of global warming and by  
12 doing so, prevent and reduce the social, economic and environmental effects  
13 of global warming.

14 “[3)] (4) This section does not create any additional regulatory authority  
15 for an agency of the executive department as defined in ORS 174.112.

16

17 **“OREGON CARBON OFFSETS PROGRAM**

18

19 **“SECTION 2. (1) As used in this section and section 3 of this 2020**  
20 **Act:**

21 **“(a) ‘Natural and working lands’ means lands and waters, including**  
22 **Indian trust lands, lands within the boundaries of the reservation of**  
23 **an Indian tribe or lands otherwise owned by an Indian tribe, that are:**

24 **“(A) Actively used by an agricultural owner or operator for an ag-**  
25 **ricultural operation that includes, but need not be limited to, active**  
26 **engagement in farming or ranching;**

27 **“(B) Producing forest products;**

28 **“(C) Consisting of forests, woodlands, grasslands, sagebrush**  
29 **steppes, deserts, freshwater and riparian systems, wetlands, coastal**  
30 **and estuarine areas, the submerged and submersible lands within**

1 Oregon’s territorial sea, watersheds, wildlands or wildlife habitats; or  
2 “(D) Used for recreational purposes, such as parks, urban and  
3 community forests, trails, greenbelts and other similar open space  
4 land.

5 “(b) ‘Offset credit’ means a fungible credit that represents a  
6 greenhouse gas emissions reduction or removal of one metric ton of  
7 carbon dioxide or carbon dioxide equivalent.

8 “(2) The Department of Environmental Quality, in consultation  
9 with the State Department of Agriculture, the State Forestry Depart-  
10 ment, the Oregon Watershed Enhancement Board and any other rele-  
11 vant state agencies, shall adopt by rule an Oregon carbon offset  
12 program.

13 “(3) The purpose of the program shall be to market, register,  
14 transfer or sell offset credits generated through greenhouse gas emis-  
15 sions reductions or removals in Oregon that result in the reduction  
16 of per capita anthropogenic greenhouse gas emissions levels in Oregon  
17 to levels that are lower than the goal set forth in ORS 468A.205.

18 “(4) In establishing the program, the Department of Environmental  
19 Quality may:

20 “(a) Execute any contracts or agreements necessary to create op-  
21 portunities for the marketability of offset credits; and

22 “(b) Negotiate prices that are at, or greater than, fair market value  
23 for the transfer or sale of offset credits.

24 “(5) Moneys received by the Department of Environmental Quality  
25 through the sale of offset credits under the program shall be paid to  
26 the department and deposited with the State Treasurer in the Oregon  
27 Carbon Offset Program Fund established under section 3 of this 2020  
28 Act.

29 **“SECTION 3. (1) The Oregon Carbon Offset Program Fund is es-**  
30 **tablished in the State Treasury, separate and distinct from the General**

1 **Fund. Interest earned by the Oregon Carbon Offset Program Fund**  
2 **shall be credited to the fund. Moneys in the fund are continuously**  
3 **appropriated to the Department of Environmental Quality to be used**  
4 **as provided for under subsection (3) of this section.**

5 **“(2) The fund shall consist of moneys deposited into the fund pur-**  
6 **suant to section 2 of this 2020 Act.**

7 **“(3) The department shall use moneys in the fund to provide grants**  
8 **and loans for:**

9 **“(a) Projects to increase the carbon sequestration potential of na-**  
10 **tural and working lands in Oregon; and**

11 **“(b) Projects relating to the research, development and deployment**  
12 **of carbon capture and sequestration technologies.**

13 **“(4) The department shall adopt by rule a grant and loan program**  
14 **to carry out the purposes set forth in subsection (3) of this section.**

15 **“(5) The department shall provide a biennial report to the interim**  
16 **committee of the Legislative Assembly related to environment and**  
17 **natural resources on grants and loans issued from the fund.**

18

19 **“CONFORMING AMENDMENTS**

20

21 **“SECTION 4. ORS 184.617 is amended to read:**

22 **“184.617. (1) The Oregon Transportation Commission shall:**

23 **“(a) Establish the policies for the operation of the Department of Trans-**  
24 **portation in a manner consistent with the policies and purposes of ORS**  
25 **184.610 to 184.665.**

26 **“(b) Develop and maintain state transportation policies, including but not**  
27 **limited to policies related to the management, construction and maintenance**  
28 **of highways and other transportation systems in Oregon, including but not**  
29 **limited to aviation, ports and rail.**

30 **“(c) Develop and maintain a comprehensive, 20-year long-range plan for**

1 a safe, multimodal transportation system for the state which encompasses  
2 economic efficiency, orderly economic development and environmental qual-  
3 ity. The comprehensive, long-range plan:

4 “(A) Must include, but not be limited to, aviation, highways, mass transit,  
5 ports, rails and waterways; and

6 “(B) Must be used by all agencies and officers to guide and coordinate  
7 transportation activities and to ensure transportation planning utilizes the  
8 potential of all existing and developing modes of transportation.

9 “(d) In coordination with the State Marine Board, the Oregon Business  
10 Development Department, the State Aviation Board, cities, counties, mass  
11 transit districts organized under ORS 267.010 to 267.394 and transportation  
12 districts organized under ORS 267.510 to 267.650, develop plans for each mode  
13 of transportation and multimodal plans for the movement of people and  
14 freight. Subject to paragraph (c) of this subsection, the plans must include  
15 a list of projects needed to maintain and develop the transportation  
16 infrastructure of this state for at least 20 years in the future.

17 “(e) For the plans developed under paragraph (d) of this subsection, in-  
18 clude a list of projects for at least 20 years into the future that are capable  
19 of being accomplished using the resources reasonably expected to be avail-  
20 able. As the plans are developed by the commission, the Director of Trans-  
21 portation shall prepare and submit implementation programs to the  
22 commission for approval. Work approved by the commission to carry out the  
23 plans shall be assigned to the appropriate unit of the Department of Trans-  
24 portation or other appropriate public body, as defined in ORS 174.109.

25 “(f) Initiate studies, as it deems necessary, to guide the director concern-  
26 ing the transportation needs of Oregon.

27 “(g) Prescribe the administrative practices followed by the director in the  
28 performance of any duty imposed on the director by law.

29 “(h) Seek to enter into intergovernmental agreements with local govern-  
30 ments and local service districts, as those terms are defined in ORS 174.116,

1 to encourage cooperation between the department and local governments and  
2 local service districts to maximize the efficiency of transportation systems  
3 in Oregon.

4 “(i) Review and approve the department’s:

5 “(A) Proposed transportation projects, as described in the Statewide  
6 Transportation Improvement Program, and any significant transportation  
7 project modifications, as determined by the commission;

8 “(B) Proposed budget form prior to the department submitting the form  
9 to the Oregon Department of Administrative Services under ORS 291.208;

10 “(C) Anticipated capital construction requirements;

11 “(D) Construction priorities; and

12 “(E) Selection, vacation or abandonment of state highways.

13 “(j) Adopt a statewide transportation strategy on greenhouse gas emis-  
14 sions to aid in achieving the greenhouse gas emissions reduction [*goals*] **goal**  
15 set forth in ORS 468A.205. The commission shall focus on reducing  
16 greenhouse gas emissions resulting from transportation. In developing the  
17 strategy, the commission shall consider state and federal programs, policies  
18 and incentives related to reducing greenhouse gas emissions. The commission  
19 shall consult and cooperate with metropolitan planning organizations, other  
20 state agencies, local governments and stakeholders and shall actively solicit  
21 public review and comment in the development of the strategy.

22 “(k) Perform any other duty vested in it by law.

23 “(2) The commission has general power to take any action necessary to  
24 coordinate and administer programs relating to highways, motor carriers,  
25 motor vehicles, public transit, rail, transportation safety and such other  
26 programs related to transportation.

27 “(3) The commission may require the director to furnish whatever reports,  
28 statistics, information or assistance the commission may request in order to  
29 study the department or transportation-related issues.

30 “**SECTION 5.** ORS 283.398 is amended to read:

1 “283.398. (1) As used in this section and ORS 283.401, ‘zero-emission ve-  
2 hicle’ means a battery electric vehicle, a plug-in hybrid electric vehicle or  
3 a hydrogen fuel cell vehicle or any type of vehicle defined by the State De-  
4 partment of Energy or the Environmental Quality Commission by rule as a  
5 ‘zero-emission vehicle’ if the vehicle’s type and fuel are consistent with the  
6 goals set forth in this section.

7 “(2) The Legislative Assembly finds that:

8 “(a) Motor vehicle emissions contribute significantly to air pollution in  
9 this state.

10 “(b) In 2019, the Oregon transportation sector was responsible for ap-  
11 proximately 40 percent of this state’s greenhouse gas emissions, and light-  
12 duty vehicles were responsible for more than half of the transportation  
13 sector’s emissions.

14 “(c) Motor vehicle emissions, especially greenhouse gases, are difficult to  
15 reduce and will rise over time if not limited by additional laws and regu-  
16 lations.

17 “(d) Absent significant changes in the types of motor vehicles used by  
18 people and businesses in Oregon, the state will not meet the greenhouse gas  
19 emissions reduction [*goals*] **goal** set forth in ORS 468A.205.

20 “(e) In ORS 757.357, the Legislative Assembly found that transportation  
21 electrification is necessary to reduce petroleum use, achieve optimum levels  
22 of energy efficiency and carbon reduction, meet federal and state air quality  
23 standards, meet this state’s greenhouse gas emissions reduction [*goals*] **goal**  
24 set forth in ORS 468A.205 and improve the public health and safety.

25 “(f) Existing federal and state incentives and programs are insufficient to  
26 transform the motor vehicle market on a timeline that will protect  
27 Oregonians from the worst impacts of global climate change.

28 “(g) The purchase and ownership of zero-emission vehicles can reduce the  
29 overall energy costs paid by Oregon households and the specific costs asso-  
30 ciated with meeting transportation needs.

1 “(h) A robust and well-operating market for zero-emission vehicles is es-  
2 sential to meeting this state’s greenhouse gas emissions reduction goals.

3 “(i) Certain residents and communities face greater barriers to purchasing  
4 or leasing zero-emission vehicles, and additional support and innovative sol-  
5 utions are necessary to ensure that all Oregon households benefit from  
6 transportation electrification.

7 “(3) The Legislative Assembly declares the following goals:

8 “(a) Transformation of the motor vehicle market must occur no later than  
9 2035.

10 “(b) Programs and support must be provided to accelerate Oregonians’  
11 purchase and use of zero-emission vehicles until greenhouse gas emissions  
12 from vehicles are declining at a rate consistent with this state’s greenhouse  
13 gas emissions reduction [*goals*] **goal** set forth in ORS 468A.205.

14 “(c) The adoption and use of zero-emission vehicles must be evaluated  
15 regularly to determine whether the rate of the adoption and use of zero-  
16 emission vehicles will put the state on course to meet its greenhouse gas  
17 emissions reduction goals.

18 “(4) To promote acquisition and use of zero-emission vehicles, all entities  
19 of the executive department, as defined in ORS 174.112, shall lead by example  
20 by:

21 “(a) Purchasing or leasing light-duty or medium-duty zero-emission vehi-  
22 cles, consistent with ORS 283.327, when purchasing or leasing vehicles;

23 “(b) Adopting policies and rules that promote the goals set forth in this  
24 section; and

25 “(c) Considering recommendations submitted in the report required by  
26 ORS 283.401 that relate to zero-emission vehicles and adopting the recom-  
27 mendations when feasible.

28 “**SECTION 6.** ORS 283.401 is amended to read:

29 “283.401. (1) On or before September 15 of each odd-numbered year, the  
30 State Department of Energy shall submit to the Governor and an interim



1 committee of the Legislative Assembly related to the environment a report  
2 on adoption of zero-emission vehicles in this state and the progress the state  
3 is making to achieve reductions in greenhouse gas emissions in the trans-  
4 portation sector. The report shall provide:

5 “(a) A review, using existing studies, market reports, polling data or other  
6 publicly available information, of the market in this state for zero-emission  
7 vehicles and any barriers to adopting zero-emission vehicles in this state;

8 “(b) An assessment of the state’s progress in promoting the goals set forth  
9 in ORS 283.398; and

10 “(c) The date on which the state is predicted to meet the goals set forth  
11 in ORS 283.398.

12 “(2) The department may contract with third parties to assist in per-  
13 forming the duties described in subsection (1) of this section.

14 “(3) The department shall assess the state’s progress under subsection  
15 (1)(b) of this section. The assessment must focus on commercially available,  
16 or near-commercially available, zero-emission vehicle technology, to the ex-  
17 tent possible, and rely on existing studies, data and analysis. In the assess-  
18 ment, the department shall evaluate:

19 “(a) Whether the transportation sector is on course to reduce the share  
20 of greenhouse gas emissions from motor vehicles, as defined in ORS 801.360,  
21 consistent with the greenhouse gas emissions reduction [*goals*] **goal** set forth  
22 in ORS 468A.205.

23 “(b) The sales figures and numbers of zero-emission vehicles that are  
24 owned in Oregon, including forecasts as to whether:

25 “(A) By 2020, 50,000 registered motor vehicles will be zero-emission vehi-  
26 cles;

27 “(B) By 2025, at least 250,000 registered motor vehicles will be zero-  
28 emission vehicles;

29 “(C) By 2030, at least 25 percent of registered motor vehicles, and at least  
30 50 percent of new motor vehicles sold annually, will be zero-emission vehi-

1 cles; and

2 “(D) By 2035, at least 90 percent of new motor vehicles sold annually will  
3 be zero-emission vehicles.

4 “(c) The sales figures and numbers of zero-emission vehicles that are  
5 owned in Oregon, differentiated, to the extent feasible, by demographic fac-  
6 tors, including whether persons that own zero-emission vehicles reside in  
7 urban or rural areas.

8 “(d) The availability and reliability of public and private electric vehicle  
9 charging infrastructure that is needed to support the targets for zero-  
10 emission vehicle sales and registration identified in paragraph (b) of this  
11 subsection. The department shall assess reliability under this paragraph only  
12 if the department requests and obtains information on reliability from pro-  
13 viders of electric vehicle charging infrastructure.

14 “(e) The incremental purchase cost difference, before and after federal and  
15 state incentives, between the purchase cost of a zero-emission vehicle and the  
16 purchase cost of a comparable vehicle powered by an internal combustion  
17 engine.

18 “(f) The zero-emission vehicles that are available for purchase in all  
19 market segments.

20 “(g) Oregonians’ awareness of motor vehicle options, the benefits of  
21 owning zero-emission vehicles and the true costs of motor vehicle ownership.

22 “(h) The carbon intensity of fuel consumed by the Oregon transportation  
23 sector as a whole.

24 “(i) The general progress toward electrification of all fossil fuel-based  
25 transportation modes.

26 “(j) Opportunities to minimize impacts to the electric grid from transpor-  
27 tation electrification, including rate design, managed charging, vehicle-to-  
28 grid services and electricity conservation techniques.

29 “(k) In consultation with the Department of Transportation, the impact  
30 of the sales and ownership of zero-emission vehicles on revenues that would

1 otherwise accrue to the State Highway Fund under ORS 366.505.

2 “(4) If the State Department of Energy determines that the state is not  
3 on course to meet the goals set forth in ORS 283.398, the department shall  
4 make recommendations in the report required by this section, including rec-  
5 ommendations for legislation. Recommended legislation:

6 “(a) May not mandate required levels of motor vehicle sales.

7 “(b) Must promote the zero-emission vehicle market, address barriers to  
8 adoption of zero-emission vehicles in the light-duty portion of the transpor-  
9 tation sector, encourage transportation electrification and further the goals  
10 set forth in ORS 283.398.

11 **“SECTION 7.** ORS 468A.235 is amended to read:

12 “468A.235. The Oregon Global Warming Commission shall recommend  
13 ways to coordinate state and local efforts to reduce greenhouse gas emissions  
14 in Oregon consistent with the greenhouse gas emissions reduction [*goals*]  
15 **goal** established by ORS 468A.205 and shall recommend efforts to help  
16 Oregon prepare for the effects of global warming. The Office of the Governor  
17 and state agencies working on multistate and regional efforts to reduce  
18 greenhouse gas emissions shall inform the commission about these efforts  
19 and shall consider input from the commission for such efforts.

20 **“SECTION 8.** ORS 468A.240 is amended to read:

21 “468A.240. (1) In furtherance of the greenhouse gas emissions reduction  
22 [*goals*] **goal** established by ORS 468A.205, the Oregon Global Warming  
23 Commission may recommend statutory and administrative changes, policy  
24 measures and other recommendations to be carried out by state and local  
25 governments, businesses, nonprofit organizations or residents. In developing  
26 its recommendations, the commission shall consider economic, environ-  
27 mental, health and social costs, and the risks and benefits of alternative  
28 strategies, including least-cost options. The commission shall solicit and  
29 consider public comment relating to statutory, administrative or policy rec-  
30 ommendations.

1 “(2) The commission shall examine greenhouse gas cap-and-trade systems,  
2 including a statewide and multistate carbon cap-and-trade system and  
3 market-based mechanisms, as a means of achieving the greenhouse gas  
4 emissions reduction [*goals*] **goal** established by ORS 468A.205.

5 “(3) The commission shall examine possible funding mechanisms to obtain  
6 low-cost greenhouse gas emissions reductions and energy efficiency en-  
7 hancements, including but not limited to those in the natural gas industry.

8 “**SECTION 9.** ORS 468A.250 is amended to read:

9 “468A.250. (1) The Oregon Global Warming Commission shall track and  
10 evaluate:

11 “(a) Economic, environmental, health and social assessments of global  
12 warming impacts on Oregon and the Pacific Northwest;

13 “(b) Existing greenhouse gas emissions reduction policies and measures;

14 “(c) Economic, environmental, health and social costs, and the risks and  
15 benefits of alternative strategies, including least-cost options;

16 “(d) The physical science of global warming;

17 “(e) Progress toward the greenhouse gas emissions reduction [*goals*] **goal**  
18 established by ORS 468A.205;

19 “(f) Greenhouse gases emitted by various sectors of the state economy,  
20 including but not limited to industrial, transportation and utility sectors;

21 “(g) Technological progress on sources of energy the use of which gener-  
22 ates no or low greenhouse gas emissions and methods for carbon  
23 sequestration;

24 “(h) Efforts to identify the greenhouse gas emissions attributable to the  
25 residential and commercial building sectors;

26 “(i) The carbon sequestration potential of Oregon’s forests, alternative  
27 methods of forest management that can increase carbon sequestration and  
28 reduce the loss of carbon sequestration to wildfire, changes in the mortality  
29 and distribution of tree and other plant species and the extent to which  
30 carbon is stored in tree-based building materials;

1 “(j) The advancement of regional, national and international policies to  
2 reduce greenhouse gas emissions;

3 “(k) Local and regional efforts to prepare for the effects of global warm-  
4 ing; and

5 “(L) Any other information, policies or analyses that the commission de-  
6 termines will aid in the achievement of the greenhouse gas emissions re-  
7 duction [*goals*] **goal** established by ORS 468A.205.

8 “(2) The commission shall:

9 “(a) Work with the State Department of Energy and the Department of  
10 Environmental Quality to evaluate all gases with the potential to be  
11 greenhouse gases and to determine a carbon dioxide equivalency for those  
12 gases; and

13 “(b) Use regional and national baseline studies of building performance  
14 to identify incremental targets for the reduction of greenhouse gas emissions  
15 attributable to residential and commercial building construction and oper-  
16 ations.

17 **“SECTION 10.** ORS 468A.260 is amended to read:

18 “468A.260. The Oregon Global Warming Commission shall submit a report  
19 to the Legislative Assembly, in the manner provided by ORS 192.245, by  
20 March 31 of each odd-numbered year that describes Oregon’s progress toward  
21 achievement of the greenhouse gas emissions reduction [*goals*] **goal** estab-  
22 lished by ORS 468A.205. The report may include relevant issues and trends  
23 of significance, including trends of greenhouse gas emissions, emerging pub-  
24 lic policy and technological advances. The report also may discuss measures  
25 the state may adopt to mitigate the impacts of global warming on the envi-  
26 ronment, the economy and the residents of Oregon and to prepare for those  
27 impacts.

28 **“SECTION 11.** ORS 757.357 is amended to read:

29 “757.357. (1) As used in this section:

30 “(a) ‘Electric company’ has the meaning given that term in ORS 757.600.

1       “(b) ‘Transportation electrification’ means:  
2       “(A) The use of electricity from external sources to provide power to all  
3 or part of a vehicle;  
4       “(B) Programs related to developing the use of electricity for the purpose  
5 described in subparagraph (A) of this paragraph; and  
6       “(C) Infrastructure investments related to developing the use of electricity  
7 for the purpose described in subparagraph (A) of this paragraph.  
8       “(c) ‘Vehicle’ means a vehicle, vessel, train, boat or any other equipment  
9 that is mobile.  
10       “(2) The Legislative Assembly finds and declares that:  
11       “(a) Transportation electrification is necessary to reduce petroleum use,  
12 achieve optimum levels of energy efficiency and carbon reduction, meet fed-  
13 eral and state air quality standards, meet this state’s greenhouse gas emis-  
14 sions reduction [*goals described*] **goal set forth** in ORS 468A.205 and  
15 improve the public health and safety;  
16       “(b) Widespread transportation electrification requires that electric com-  
17 panies increase access to the use of electricity as a transportation fuel;  
18       “(c) Widespread transportation electrification requires that electric com-  
19 panies increase access to the use of electricity as a transportation fuel in low  
20 and moderate income communities;  
21       “(d) Widespread transportation electrification should stimulate innovation  
22 and competition, provide consumers with increased options in the use of  
23 charging equipment and in procuring services from suppliers of electricity,  
24 attract private capital investments and create high quality jobs in this state;  
25       “(e) Transportation electrification and the purchase and use of electric  
26 vehicles should assist in managing the electrical grid, integrating generation  
27 from renewable energy resources and improving electric system efficiency  
28 and operational flexibility, including the ability of an electric company to  
29 integrate variable generating resources;  
30       “(f) Deploying transportation electrification and electric vehicles creates

1 the opportunity for an electric company to propose, to the Public Utility  
2 Commission, that a net benefit for the customers of the electric company is  
3 attainable; and

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

6 “(3) The Public Utility Commission shall direct each electric company to  
7 file applications, in a form and manner prescribed by the commission, for  
8 programs to accelerate transportation electrification. A program proposed  
9 by an electric company may include prudent investments in or customer re-  
10 bates for electric vehicle charging and related infrastructure.

11 “(4) When considering a transportation electrification program and de-  
12 termining cost recovery for investments and other expenditures related to a  
13 program proposed by an electric company under subsection (3) of this sec-  
14 tion, the commission shall consider whether the investments and other ex-  
15 penditures:

16 “(a) Are within the service territory of the electric company;

17 “(b) Are prudent as determined by the commission;

18 “(c) Are reasonably expected to be used and useful as determined by the  
19 commission;

20 “(d) Are reasonably expected to enable the electric company to support  
21 the electric company’s electrical system;

22 “(e) Are reasonably expected to improve the electric company’s electrical  
23 system efficiency and operational flexibility, including the ability of the  
24 electric company to integrate variable generating resources; and

25 “(f) Are reasonably expected to stimulate innovation, competition and  
26 customer choice in electric vehicle charging and related infrastructure and  
27 services.

28 “(5)(a) Tariff schedules and rates allowed pursuant to subsection (3) of  
29 this section:

30 “(A) May allow a return of and a return on an investment made by an

1 electric company under subsection (3) of this section; and

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

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

10 “(6) For purposes of ORS 757.355, electric vehicle charging infrastructure  
11 provides utility service to the customers of an electric company.

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

21

22

**“CAPTIONS**

23

24 **“SECTION 12. The unit captions used in this 2020 Act are provided**  
25 **only for the convenience of the reader and do not become part of the**  
26 **statutory law of this state or express any legislative intent in the**  
27 **enactment of this 2020 Act.**

28

29

**“EFFECTIVE DATE**

30



