SB 314 A -A2 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Prepared By: Erin Pischke, LPRO Analyst **Meeting Dates:** 5/3, 5/19

WHAT THE MEASURE DOES:

Authorizes the Public Utility Commission (PUC) to allow an electric company to recover costs from retail electricity consumers for prudent infrastructure measures to support transportation electrification (EV Infrastructure) if certain criteria are met. Stipulates that EV Infrastructure measures taken by electric company are a benefit to the customer if they can be reasonably anticipated to support reductions of greenhouse gas emissions over time, and provide customer benefits that include: distribution or transmission management; revenues from charging to offset fixed costs; system efficiencies or other economic values; or increased customer choice. Requires PUC to consider certain factors when contemplating expenditures for an EV infrastructure program that is not an infrastructure measure. Requires electric company undertaking measures that involve the installation of one or more electric vehicle charging stations to allow for customer choice in the selection of the type of electric vehicle charging station. Authorizes electric company to pregualify multiple types of electric vehicle charging stations. Authorizes PUC to allow natural gas utilities to recover costs from retail natural gas customers for prudent investments in or expenses related to infrastructure measures that support adoption and service of alternative forms of transportation vehicles if certain criteria are met. Stipulates that an investment or expense related to alternative transportation infrastructure measures taken by natural gas company are a benefit to customer if they can be reasonably anticipated to support adoption of alternative vehicles powered by renewable natural gas or hydrogen, reductions of greenhouse gas emissions over time, and benefit the natural gas utility system, which may include: distribution or transmission management benefits; system efficiencies or other economic values; or revenues from fueling alternative forms of transportation offset utilities fixed costs.

Senate vote: Ayes, 25; Nays, 2--Linthicum, Thatcher; Excused, 3--Boquist, Heard, Johnson

No fiscal impact; no revenue impact

ISSUES DISCUSSED:

- Emissions and available supply of different fuel sources
- Cost recovery included in other bills too
- Need to expand access to charging stations

EFFECT OF AMENDMENT:

-A2 Updates definition of "infrastructure measures." Requires PUC to direct each electric company to file: 1) applications for programs to support transportation electrification and 2) a plan, for acceptance by the commission, that integrates the electric company's transportation electrification actions. Stipulates that an investment or expense related to alternative transportation infrastructure measures taken by natural gas company are a benefit to customer if they can be reasonably anticipated to support adoption of alternative vehicles powered by renewable natural gas or hydrogen, reductions of greenhouse gas emissions over time, and benefit the natural gas utility system, which may include: distribution or transmission management benefits; system efficiencies or other economic values; or revenues from fueling alternative forms of transportation offset <u>natural gas</u> utilities' fixed costs.

No fiscal impact; may have revenue impact, but no statement issued yet.

BACKGROUND:

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Senate Bill 978 (2017) directed the Oregon Public Utility Commission (PUC) to establish a public process for investigating how developing industry trends, technologies, and policy considerations impact the existing regulatory system and incentives it currently employs and to prepare a report. One of the items identified by some participants in the public process was that an efficient way to reduce emissions is by electric utilities working to reduce emissions outside of the electric sector through beneficial electrification of other fuel uses, such as electric vehicles and other forms of alternative transportation.

Senate Bill 314 A authorizes the PUC to allow electric companies and natural gas utilities to recover costs for certain investments in infrastructure measures related to transportation electrification and alternative forms of transportation, respectively.

