

**SB 318 A STAFF MEASURE SUMMARY**

**Senate Committee On Energy and Environment**

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**Action Date:** 03/11/21

**Action:** Do pass with amendments and requesting referral to Ways and Means. (Printed A-Engrossed.)

**Vote:** 5-0-0-0

**Yeas:** 5 - Beyer, Dembrow, Findley, Robinson, Taylor

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Beth Reiley, LPRO Analyst

**Meeting Dates:** 2/11, 3/11

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**WHAT THE MEASURE DOES:**

Authorizes the Public Utility Commission (Commission) to determine the resource adequacy for load service entities to obtain adequate service for general public. Requires Commission to determine resource adequacy through the use of metrics identified by the Commission. Stipulates that if the Commission determines the resource adequacy for a load serving entity, to require periodic demonstrations that the entity is achieving its resource adequacy to the satisfaction of the Commission. Authorizes the Commission to commence an investigation if, after the demonstration, they determine that the load serving entity is not satisfactorily providing resource adequacy. Authorizes the Commission to identify and direct the load serving entity to undertake remedial actions, analysis, or planning. Stipulates if the load serving entity fails to demonstrate it is providing resource adequacy and if they fail to undertake remedial actions, analysis, or planning, the Commission may direct a public utility to provide an assessment of the public utility's ability to provide resource adequacy for load serving entity's customers. Authorizes Commission to allow public utility to recover prudently incurred costs through a mechanism approved by the Commission and, if the load serving entity is an electricity service supplier, to revoke or condition their certification. Authorizes the Commission to consider coordination and integration with any multistate, regional, or national entity when assessing resource adequacy.

**ISSUES DISCUSSED:**

- Regional efforts to address resource adequacy
- Other state efforts to address resource adequacy
- Incidences of energy shortages

**EFFECT OF AMENDMENT:**

Replaces measure with exception for definition of “electricity service supplier” and “load serving entity.”

**BACKGROUND:**

Across the Northwest, states are committing to carbon-free power and setting clean energy goals. Washington, Idaho, and California have pledged 100 percent clean energy by 2045, and Oregon has committed to zero use of coal by 2040. To meet these goals, utilities are retiring coal plants. The Boardman Coal Plant was the last coal-fired power plant operating in Oregon, it closed in October, 2020. By 2030, a total of 18,000 megawatts of coal generation will have been taken offline in the Western Interconnection (the area from the Rockies west and consisting of 37 balancing authorities: 34 in the United States, 2 in Canada, and 1 in Mexico). According to the Public Utility Commission (Commission), resource adequacy planning is adapting to the evolving resource mix in the region to ensure a least-cost and smooth transition that maximizes customer benefits and manages risks effectively.

**SB 318 A STAFF MEASURE SUMMARY**

Senate Bill 318 A would authorize the Commission to determine the resource adequacy for load service entities to obtain adequate service for the general public. The Act would establish a process for the Commission to: determine adequacy, require demonstrations, investigate if demonstrations are not satisfactory, require remedial actions, and create a process for a public utility to provide resource adequacy and recover prudently incurred costs.