

HB 2739 A STAFF MEASURE SUMMARY

House Committee On Human Services

Action Date: 04/12/21

Action: Do pass with amendments and be referred to Ways and Means. (Printed A-Eng.)

Vote: 7-0-0-0

Yeas: 7 - Leif, Noble, Owens, Ruiz, Sanchez, Schouten, Williams

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

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Meeting Dates: 3/31, 4/7, 4/12

WHAT THE MEASURE DOES:

Directs the Public Utility Commission (PUC) to establish the amount to be collected and rates to be charged by each electric company from its customers for low-income electric bill payment and crisis assistance. Mandates that funds collected be paid into the Low-Income Electric Bill Payment Assistance Fund administered by Oregon Housing and Community Services (OHCS). Requires that \$500 rate for large industrial customers, that applies to the current \$20 million electric bill payment assistance fund, applies to the additional (temporary) \$10 million increase.

ISSUES DISCUSSED:

- Charging customers who receive power from independent power producers
- Cap on monthly payment per meter, per site by large industrial customers
- Qualification for assistance and meter charges for customers who receive benefit

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

In September 2020, the Public Utility Commission (PUC) opened an investigation into the effects of the COVID-19 pandemic on utility customers and explored how regulated utilities should respond to customers' needs. Participants in formal proceedings included PUC staff and designated stakeholders such as the Oregon Citizens' Utility Board (representing residential customers), the Alliance of Western Energy Consumers (representing industrial customers), and various organizations representing the interests of environmental groups, cities, counties, and other businesses. Most participants were represented by legal counsel.

The Oregon Energy Assistance Program (OEAP) is an anti-poverty program for low-income eligible customers of Oregon's two largest electric utilities, Portland General Electric (PGE) and Pacific Power. The purpose of the program is to reduce service disconnections for customers at risk of having their electricity shut off. PGE and Pacific Power customers fund OEAP through a small meter charge included on their electric bills. The rate is approximately \$0.69 per meter for residential customers and not more than \$500 for commercial and industrial customers. Oregon Housing and Community Services (OHCS) allocates these funds to Community Action Agencies, which then deliver support to eligible customers. After PUC's investigation, an agreement was reached to have utilities and customer groups jointly petition the Legislative Assembly to increase the "Low Income Assistance" charge on residential customers' electric bill from \$0.69 to \$1.00.

House Bill 2739 A increases low-income electric bill payment and crisis assistance for the Oregon Energy Assistance Program by \$10 million annually through 2023 for families in marginalized communities that are between 60-80 percent of median income, in addition to serving families at or below 80 percent of median

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