



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

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Bill Title: Relating to the interconnection process; prescribing an effective date.

Government Unit(s) Affected: Public Utility Commission, Department of Energy

Summary of Fiscal Impact

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Public Utility Commission	\$ -	\$ -	\$ 335,136	\$ -	\$ 335,136	1	0.88
Total Fiscal Impact	\$ -	\$ -	\$ 335,136	\$ -	\$ 335,136	1	0.88

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Public Utility Commission	\$ -	\$ -	\$ 294,227	\$ -	\$ 294,227	1	1.00
Total Fiscal Impact	\$ -	\$ -	\$ 294,227	\$ -	\$ 294,227	1	1.00

Measure Description

The measure establishes a process for interconnecting microgrids and community microgrids with the transmission or distribution systems of public utilities. The measure allows applicants to choose whether required interconnection studies are conducted by the utility or by a qualified third party. Public utilities must share relevant technical data to support these studies and provide timely feedback on preliminary designs. The measure limits grounds for rejecting applications to safety, reliability, and compliance with published standards, and requires utilities to prioritize and decide on qualified applications within 90 days. The measure excludes interconnections regulated by the Federal Energy Regulatory Commission.

The measure includes an Other Funds limitation increase of \$335,136 for the Public Utility Commission for the 2025-27 biennium.

Fiscal Analysis

The total estimated fiscal impact is \$335,136 Other Funds and one permanent full-time position (0.88 FTE) in the 2025-27 biennium and \$294,227 Other Funds and one full-time position (1.00 FTE) in the 2027-29 biennium.

Public Utility Commission

The Public Utility Commission (PUC) shall adopt rules governing how third-party consultants perform interconnection studies for microgrid projects. Rulemaking will address potential liability issues and establish standards utilities must apply when reviewing and deciding on interconnection applications. The PUC will also assess whether additional policies are needed for microgrid generators, considering existing rules that already cover interconnection costs, dispute resolution, cost allocation, and utility agreements.

Implementation is estimated to require one permanent full-time Utility and Energy Analyst 3 position (0.88 FTE in 2025-27 and 1.00 FTE in 2027-29), with position costs of \$260,136 in the 2025-27 biennium and \$294,227 in the 2027-29 biennium. Additional service and supply costs include \$75,000 in one-time Other Funds in the 2025-27 biennium to address legal review during rulemaking. These costs will be supported by the PUC's annual fee on the revenues of regulated electric, gas, telecommunications, and water/wastewater utilities.

Other entities

The measure is anticipated to have minimal impact on the Oregon Department of Energy.

Relevant Dates

The measure takes effect on the 91st day after sine die.