

SB 688 A BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Kendra Beck, Department of Administrative Services

Reviewed By: Benjamin Ruef, Legislative Fiscal Office

**Public Utility Commission
2025-27**

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 974,013	\$ 974,013	100.0%
Total	\$ -	\$ -	\$ 974,013	\$ 974,013	100.0%

Position Summary

Public Utility Commission

Authorized Positions	0	0	1	1
Full-time Equivalent (FTE) positions	0.00	0.00	0.75	0.75

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The measure increases Other Funds expenditure limitation by \$974,013 for PUC for one permanent, full-time position (0.75 FTE) and one-time consulting services. The increase in limitation will be supported by PUC's annual fee imposed on the annual revenues of state electric, gas, telecommunications, and water/wastewater providers.

Summary of Natural Resources Subcommittee Action

Senate Bill 688 authorizes PUC to implement a performance-based regulation framework for electric companies, excluding consumer-owned utilities. The framework allows PUC to use incentives or penalties to align utility performance with policy goals such as reducing emissions, improving service reliability, supporting low-income customers, and controlling costs. It must include measurable standards and metrics, and PUC must consider customer rate impacts when designing financial mechanisms. The framework must be adopted by January 2, 2027.

The measure increases PUC's Other Funds expenditure limitation by \$224,013 for one permanent, full-time Utility Analyst 3 position (0.75 FTE) to manage consulting contracts, lead the public investigation required to develop a performance-based ratemaking framework, and support implementation through rate case proceedings, as well as position related services and supplies. A one-time Other Funds expenditure limitation increase of \$750,000 is also included for consulting services to support the development and adoption of the regulatory framework.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Public Utility Commission
Kendra Beck -- 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Public Utility Commission										
SCR 001 - Utility Regulation										
Personal Services	\$ -	\$ -	\$ -	\$ 216,730	\$ -	\$ -	\$ -	216,730	1	0.75
Services and Supplies	\$ -	\$ -	\$ -	\$ 757,283	\$ -	\$ -	\$ -	757,283		
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ -	\$ 974,013	\$ -	\$ -	\$ -	974,013	1	0.75
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ -	\$ 974,013	\$ -	\$ -	\$ -	974,013	1	0.75

*Excludes Capital Construction Expenditures

PRELIMINARY