

HB 3179 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

Action Date: 04/03/25

Action: Without recommendation as to passage and be referred to Rules.

Vote: 8-1-1-0

Yeas: 8 - Chaichi, Chotzen, Gomberg, Neron, Osborne, Sosa, Wallan, Walters

Nays: 1 - Reschke

Exc: 1 - Cate

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Andrew Hendrie, LPRO Analyst

Meeting Dates: 2/20, 2/25, 4/3

WHAT THE MEASURE DOES:

The measure requires the Public Utility Commission (Commission) to consider the revenue increases from proposed rate increases from a public utility and gives the commission authority in rate setting. It requires visual explanations of costs from electricity and natural gas services providers and requires a quarterly report on rate adjustments expected in the next 12 months. It takes effect on the 91st day following adjournment sine die.

Detailed Summary

Section 2

Requires the Commission, in determining if rates are fair, just, and reasonable, to determine if the change will increase the public utility's revenue in Oregon by 2.5 percent or more. Requires the Commission to consider the economic impact to ratepayers in deciding to approve the proposed rate, if a proposed rate would increase a public utility's revenue by 2.5 percent.

Section 3

Gives the commission broad discretion in setting rates, including lowest reasonable rates.

Section 4

Allows the commission to adjust rates to mitigate or phase in an increase in rates if it would affect a consumer's ability to maintain adequate service or the economy of the state.

Section 5

Amends the meaning of "rate recovery expenditures" to include capital investments that are approved by the Commission.

Section 7

Requires a public utility that provides electricity services in Oregon to provide to the Commission and make public a visual representation of specified cost categories included in residential customer rates.

Section 8

Requires a public utility that provides natural gas services in Oregon to provide to the Commission and make public a visual representation of specified cost categories included in residential customer rates.

Section 9

This summary has not been adopted or officially endorsed by action of the committee.

HB 3179 STAFF MEASURE SUMMARY

Requires a public utility to file with the Commission and make publicly available a quarterly report of any rate increases the public utility expects in the next 12 months.

Section 10

Makes the Commission's ability to consider revenue increases from proposed rate increases and authority in rate setting apply to proceedings on or after January 1, 2026.

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Utility Commission (PUC) is responsible for rate regulation of Oregon's investor-owned electric utilities, natural gas utilities, telephone service providers (landline only), as well as select water companies. The PUC also enforces electric and natural gas safety standards and handles utility-related dispute resolution on behalf of Oregon residents.