

HOUSE AMENDMENTS TO HOUSE BILL 3179

By COMMITTEE ON RULES

May 23

On page 1 of the printed bill, line 2, after the second semicolon delete the rest of the line and insert “amending ORS 757.210, 757.215, 757.457 and 757.461; and declaring an emergency.”.

Delete lines 4 through 20 and delete pages 2 through 7 and insert:

“ELECTRIC AND NATURAL GAS UTILITY RATES

“**SECTION 1.** Section 2 of this 2025 Act is added to and made a part of ORS 757.210 to 757.220.

“**SECTION 2.** (1) As used in this section, ‘electric or natural gas company’ means any entity that is a public utility that is engaged in the business of distributing electricity or natural gas to retail customers in this state.

“(2) In determining whether an electric or natural gas company’s proposed residential rate or schedule of rates to be established or increased or changed is fair, just and reasonable, the Public Utility Commission shall balance the interests of the utility investor and the consumer by considering the cumulative economic impact of the proposed rate or schedule of rates on the electric or natural gas company’s residential ratepayers.

“(3) An electric or natural gas company shall conduct and include with its filing an analysis of the cumulative economic impact of a proposed rate or schedule of rates on the electric or natural gas company’s residential ratepayers if the electric or natural gas company’s proposed residential rate or schedule of rates will result in an increase of residential rates and the electric or natural gas company’s return on equity is subject to review and modification. The analysis must take into consideration the following:

“(a) For each classification of service of the electric or natural gas company affected by the proposed rate or schedule of rates and, if applicable, distinguished by ratepayers who reside in single-family housing and ratepayers who reside in multifamily housing:

“(A) Ratepayers’ average monthly utility bill for the 18 months ending on the date before the date the proposed rate or schedule of rates is to take effect;

“(B) The approximate range of utility bills from November 1 to March 31 for the prior two years for residential ratepayers who use the utility service for space heating; and

“(C) The estimated dollar amount and percentage increase in ratepayers’ utility bills;

“(b) The average cost of living and cost of fuel and utilities for the region, state and, where available, service territory of the electric or natural gas company, as determined by the commission using the Consumer Price Index for All Urban Consumers, West Region (All Items), as most recently published by the Bureau of Labor Statistics of the United States Department of Labor, and any other macroeconomic data as determined by the commission;

1 “(c) The electric or natural gas company’s data on residential service disconnection for
2 nonpayment, including:

3 “(A) The number of ratepayers the electric or natural gas company disconnected for
4 nonpayment in the previous 12 months;

5 “(B) The number of ratepayers receiving energy assistance, including any government
6 assistance, utility bill discount or utility arrearage program, that the electric or natural gas
7 company disconnected for nonpayment in the previous 12 months;

8 “(C) The number of ratepayers who have a medical certificate filed with the electric or
9 natural gas company; and

10 “(D) Data related to customers who are enrolled in the electric or natural gas company’s
11 energy assistance programs, including disconnection moratorium programs;

12 “(d) The electric or natural gas company’s data on overdue balances, as determined by
13 the commission, such as:

14 “(A) The number of ratepayers who have an overdue balance;

15 “(B) The average amount of the overdue balances; or

16 “(C) The total amount of overdue balances owed to the electric or natural gas company;

17 “(e) Data on the cost of energy for commercial and industrial customers relative to the
18 cost of energy for commercial and industrial customers in other states in the region together
19 with historical trends; and

20 “(f) Any other relevant data, as determined by the commission, such as indicators of fi-
21 nancial hardship, residential customer energy burden or affordability of utility bills.

22 “(4) The commission may contract or coordinate with other state agencies, energy as-
23 sistance providers or the nongovernmental entity that administers funds collected pursuant
24 to ORS 757.054, through natural gas tariffs or through public purpose charges pursuant to
25 ORS 757.612, to collect data necessary to carry out this section.

26 “(5) The commission may establish rules to carry out this section, including rules that
27 require electric and natural gas companies to gather information or data necessary to carry
28 out this section.

29 “SECTION 3. ORS 757.210 is amended to read:

30 “757.210. (1)(a) Whenever any public utility files with the Public Utility Commission any rate
31 or schedule of rates stating or establishing a new rate or schedule of rates or increasing an existing
32 rate or schedule of rates, the commission may, either upon written complaint or upon the
33 commission’s own initiative, after reasonable notice, conduct a hearing to determine whether the
34 rate or schedule is fair, just and reasonable. The commission shall conduct the hearing upon written
35 complaint filed by the utility, its customer or customers, or any other proper party within 60 days
36 of the utility’s filing; provided that no hearing need be held if the particular rate change is the re-
37 sult of an automatic adjustment clause. At the hearing the utility shall bear the burden of showing
38 that the rate or schedule of rates proposed to be established or increased or changed is fair, just
39 and reasonable. The commission may not authorize a rate or schedule of rates that is not fair, just
40 and reasonable.

41 “(b) As used in this subsection, ‘automatic adjustment clause’ means a provision of a rate
42 schedule that provides for rate increases or decreases or both, without prior hearing, reflecting in-
43 creases or decreases or both in costs incurred, taxes paid to units of government or revenues earned
44 by a utility and that is subject to review by the commission at least once every two years.

45 “(2)(a) Subsection (1) of this section does not apply to rate changes under an approved alterna-

1 tive form of regulation plan, including a resource rate plan under ORS 757.212.

2 “(b) Any alternative form of regulation plan shall include provisions to ensure that the plan
3 operates in the interests of utility customers and the public generally and results in rates that are
4 just and reasonable and may include provisions establishing a reasonable range for rate of return
5 on investment. In approving a plan, the commission shall, at a minimum, consider whether the plan:

6 “(A) Promotes increased efficiencies and cost control;

7 “(B) Is consistent with least-cost resources acquisition policies;

8 “(C) Yields rates that are consistent with those that would be obtained following application of
9 ORS 757.269;

10 “(D) Is consistent with maintenance of safe, adequate and reliable service; and

11 “(E) Is beneficial to utility customers generally, for example, by minimizing utility rates.

12 “(c) As used in this subsection, ‘alternative form of regulation plan’ means a plan adopted by the
13 commission upon petition by a public utility, after notice and an opportunity for a hearing, that sets
14 rates and revenues and a method for changes in rates and revenues using alternatives to cost-of-
15 service rate regulation.

16 “(d) Prior to implementing a rate change under an alternative form of regulation plan, the utility
17 shall present a report that demonstrates the calculation of any proposed rate change at a public
18 meeting of the commission.

19 “(3) Except as provided in ORS 757.212, the commission, at any time, may order a utility to ap-
20 pear and establish that any, or all, of its rates in a plan authorized under subsection (2) of this
21 section are in conformity with the plan and are just and reasonable. Except as provided in ORS
22 757.212, such rates, and the alternative form of regulation plan under which the rates are set, also
23 shall be subject to complaint under ORS 756.500.

24 “(4) Periodically, but not less often than every two years after the implementation of a plan
25 referred to in subsection (2) of this section, the commission shall submit a report to the Legislative
26 Assembly that shows the impact of the plan on rates paid by utility customers.

27 “(5) The commission and staff may consult at any time with, and provide technical assistance
28 to, utilities, their customers, and other interested parties on matters relevant to utility rates and
29 charges. If a hearing is held with respect to a rate change, the commission’s decisions shall be based
30 on the record made at the hearing.

31 **“(6) The commission may adjust rates to mitigate an increase in residential customer**
32 **rates if the increase is of such magnitude that, if applied at the higher rate or all at one**
33 **time, the increase would affect the ability of residential customers to maintain adequate**
34 **utility service. In considering whether to adjust rates under this subsection, the commission:**

35 **“(a) Must determine whether the proposed adjusted rates are fair, just and reasonable;**

36 **“(b) May not adjust rates in a manner that results in rates that are not fair, just and**
37 **reasonable; and**

38 **“(c) Shall consider and may approve deferred accounting for future cost recovery from**
39 **customers for those amounts that are subject to rate mitigation.**

40 **“(7) Any increase in residential rates may not take effect from November 1 to March 31.**

41 **“SECTION 4. (1) Notwithstanding any other provisions of law, if an electric or natural**
42 **gas company’s proposal to increase rates under ORS 757.210 subjects the electric or natural**
43 **gas company’s return on equity to review or modification by the Public Utility Commission,**
44 **the rate increase may not take effect within 18 months from the effective date of the electric**
45 **or natural gas company’s last rate increase under ORS 757.210 that subjected the electric**

1 or natural gas company's return on equity to review or modification by the commission.

2 “(2) Notwithstanding ORS 757.259, the commission shall consider and may approve de-
3 ferred accounting for future cost recovery from ratepayers under an electric or natural gas
4 company's requested rate revision, if the rate revision subjects the electric or natural gas
5 company's return on equity to review or modification.

6 “(3) As used in this section, ‘electric or natural gas company’ means a public utility, as
7 defined in ORS 757.005, that is engaged in the business of distributing electricity or natural
8 gas to retail customers in this state.

9 “SECTION 5. Section 4 of this 2025 Act is repealed on the earlier of:

10 “(1) January 2, 2027.

11 “(2) The date the Public Utility Commission adopts permanent rules to implement section
12 7 of this 2025 Act.

13 “SECTION 6. Section 7 of this 2025 Act is added to and made a part of ORS chapter 757.

14 “SECTION 7. (1) As used in this section, ‘electric or natural gas company’ means any
15 entity that is a public utility that is engaged in the business of distributing electricity or
16 natural gas to retail customers in this state.

17 “(2)(a) The Public Utility Commission shall establish rules requiring an electric or na-
18 tural gas company to establish a multiyear rate plan for rate revisions that subject an elec-
19 tric or natural gas company's return on equity to review or modification.

20 “(b) The rules must:

21 “(A) Include procedural and content requirements for a multiyear rate plan.

22 “(B) Require an electric or natural gas company to file a multiyear rate plan on a regular
23 interval that is no less than three and no more than seven years long.

24 “(C) Establish a limit on the number of electric or natural gas companies that are al-
25 lowed to request a rate increase in any given year.

26 “(c) The rules may:

27 “(A) Provide for incentives for efficient utility operations.

28 “(B) Authorize refunds to customers under certain circumstances.

29 “(C) Allow an electric or natural gas company, or third party, to request an exception
30 to a requirement established by rule under this section on a showing of good cause.

31 “(3) The provisions of this section do not allow for cost recovery that is not permitted
32 under ORS 757.355.

33 “SECTION 8. ORS 757.215 is amended to read:

34 “757.215. (1) The Public Utility Commission may, pending such investigation and determination,
35 order the suspension of the rate or schedule of rates for a period of up to [nine] 10 months beyond
36 the time when such rate or schedule would otherwise go into effect.

37 “(2) This section does not prevent the commission and the utility from entering into a written
38 stipulation at any time extending any period of suspension.

39 “(3) After full hearing, whether completed before or after such rate or schedule has gone into
40 effect, the commission may make such order in reference thereto as would be proper in a proceeding
41 initiated after such rate or schedule has become effective.

42 “(4) If the commission is required to or determines to conduct a hearing on a rate or schedule
43 of rates filed pursuant to ORS 757.210, but does not order a suspension thereof, any increased re-
44 venue collected by the utility as a result of such rate or rate schedule becoming effective shall be
45 received subject to being refunded. If the rate or rate schedule thereafter approved by the commis-

1 sion is for a lesser increase or for no increase, the utility shall refund the amount of revenues re-
2 ceived that exceeds the amount approved as nearly as possible to the customers from whom such
3 excess revenues were collected, by a credit against future bills or otherwise, in such manner as the
4 commission orders.

5 “(5) The commission may in a suspension order authorize an interim rate or rate schedule under
6 which the utility’s revenues will be increased by an amount deemed reasonable by the commission,
7 not exceeding the amount requested by the utility. Any such interim increase for a public utility as
8 defined in ORS 757.005 that produces, transmits, delivers or furnishes heat, light or power shall be
9 effected by rates designed to increase the utility’s revenues without materially changing the revenue
10 relationships among customer classes or between the revenues derived from demand charges and
11 from energy charges. An interim rate or rate schedule shall remain in effect until terminated by the
12 commission. Upon completion of the hearing and decision, the commission shall order the utility to
13 refund that portion of the increase in the interim rate or schedule that the commission finds is not
14 justified. Any refund of an interim increase under this subsection shall be based upon an analysis
15 of the utility’s earnings for a period reasonably representative of the period during which the in-
16 terim increase was in effect. Refunds shall be made as nearly as possible to the customers against
17 whom the interim rates were charged, by credits against future bills or in such other manner as the
18 commission orders.

19 “(6) Refunds ordered by the commission under subsection (4) or (5) of this section shall include
20 interest on the amount determined to be subject to refund from the date such interim rate or rate
21 schedules took effect.

22 “FINANCING OF CERTAIN RATE RECOVERY EXPENDITURES

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24
25 “**SECTION 9.** ORS 757.457 is amended to read:

26 “757.457. As used in this section and ORS 757.459, 757.461 and 757.463:

27 “(1) ‘Assignee’ means a person, and any subsequent assignee, to which a public utility assigns,
28 sells or transfers all or part of the public utility’s interest in or right to rate recovery assets, except
29 as security.

30 “(2) ‘Bond’ includes bonds, notes, certificates of beneficial interests in a trust or other evidence
31 of indebtedness.

32 “(3) ‘Bondholder’ means a holder or owner of a rate recovery bond.

33 “(4) ‘Finance subsidiary’ means an assignee at the time rate recovery bonds are issued:

34 “(a)(A) That is beneficially owned, directly or indirectly, by a public utility; or

35 “(B) In the case of a trust, for which a public utility or subsidiary of the public utility is the
36 grantor; or

37 “(b) That is unaffiliated with a public utility and acquires bondable rate recovery assets from
38 a public utility in a transaction or under an agreement that is approved by the Public Utility Com-
39 mission.

40 “(5) ‘Financing costs’ includes the following costs related to rate recovery bonds, whether in-
41 curred and paid upon issuance or over the life of rate recovery bonds:

42 “(a) The costs of issuing, serving, managing, repaying or refinancing rate recovery bonds, in-
43 cluding any fees, expenses or charges incurred and the costs of any activities performed in con-
44 nection with the rate recovery bonds, including:

45 “(A) Information technology programming;

1 “(B) Obtaining a financing order;
2 “(C) Serving, accounting or auditing;
3 “(D) Services related to trustees;
4 “(E) Legal services;
5 “(F) Consulting;
6 “(G) Services related to financial and structuring advisors;
7 “(H) Administration;
8 “(I) Placement and underwriting;
9 “(J) Services related to independent directors and managers;
10 “(K) Services related to rating agencies;
11 “(L) Stock exchange listing and compliance;
12 “(M) Securities registration and filing; and
13 “(N) Services necessary to ensure a timely payment of rate recovery bonds or other amounts
14 or charges payable in connection with rate recovery bonds;
15 “(b) Principal, interest and acquisition, defeasance and redemption premiums payable on rate
16 recovery bonds;
17 “(c) Payments required under an ancillary agreement and any amounts required to fund or re-
18 plenish a reserve or account established under the terms of an indenture, ancillary agreement or
19 financing document related to rate recovery bonds;
20 “(d) Applicable federal, state and local taxes, franchise fees, license fees, gross receipts or other
21 taxes or charges, whether paid, payable or accrued; and
22 “(e) The Public Utility Commission’s costs in performing the commission’s duties related to rate
23 recovery bonds that are recoverable by the commission under ORS 756.310.
24 “(6) ‘Financing order’ means an order issued by the Public Utility Commission that authorizes
25 one or more the following:
26 “(a) The recovery of rate recovery expenditures and financing costs;
27 “(b) The creation of rate recovery assets;
28 “(c) The issuance of rate recovery bonds;
29 “(d) The imposition, collection and periodic adjustment of rate recovery charges; or
30 “(e) The sale, assignment or transfer of rate recovery assets to an assignee.
31 “(7) ‘Financing party’ includes:
32 “(a) Bondholders, trustees, agents and secured parties related to rate recovery bonds;
33 “(b) A person acting for the benefit of bondholders, trustees, agents or secured parties; and
34 “(c) A party to rate recovery bond documents or an ancillary agreement.
35 “(8) ‘Public utility customer’ means:
36 “(a) For an electric utility, a retail electricity consumer, as defined in ORS 757.600.
37 “(b) For a natural gas utility, the end use consumer served by the natural gas utility, including
38 those served by the natural gas utility under ORS 757.516, regardless of whether the end use con-
39 sumer purchases natural gas from the natural gas utility.
40 “(9) ‘Rate recovery asset’ means a right to recover from customers rate recovery expenditures
41 and associated costs and expenses approved in a financing order, including the right to:
42 “(a) Impose, charge, bill, collect, receive, hold and apply rate recovery charges authorized under
43 a financing order or obtain, to the extent authorized, periodic adjustments of rate recovery charges;
44 and
45 “(b) All claims, accounts, revenues, payments, collections, moneys or proceeds arising from the

1 rights and interest specified in a financing order, regardless of whether the claims, accounts, re-
2 venues, payments, collections, moneys or proceeds arising from the rights and interest specified in
3 the financing order are commingled with other claims, accounts, revenues, payments, collections,
4 moneys or proceeds.

5 “(10) ‘Rate recovery charge’ means charges to public utility customers authorized by the Public
6 Utility Commission to recover rate recovery expenditures and financing costs and to be used to pay,
7 repay or refinance rate recovery bonds.

8 “(11) ‘Rate recovery expenditures’ means costs and expenses incurred or to be incurred [*through*
9 *the date of issuance of a financing order*] by a public utility associated with:

10 “(a) An event that is the subject of a federal or state declaration of a state of emergency, such
11 as severe weather, catastrophic wildfire, pandemic or other event that causes or threatens to cause
12 widespread loss of life, injury to person or property, human suffering or financial loss, except those
13 costs and expenses that are or are associated with criminal or civil fines or penalties or judgments
14 from a civil action based on negligence related to the event.

15 “(b) An energy conservation program that provides loans and cash payments to public utility
16 customers for the installation of energy conservation measures funded by the public utility includ-
17 ing, but not limited to, the costs or expenditures for specific acquisition program development, pro-
18 motion and labor costs and associated general supervision, rents, leases and overheads.

19 “(c) **A capital investment:**

20 “(A) **That by itself will cause residential rates to rise by more than five percent; and**

21 “(B) **When combined with other expected investments or expenses, has the potential to**
22 **significantly impact the affordability of residential rates.**

23 “(d) **Retiring a generation asset, including undepreciated investments, decommissioning**
24 **and restoring a facility site, related capital and operating costs, accrued carrying charges**
25 **and deferred costs.**

26 “(e) **Planned or past remediation of a contaminated site or environmental remediation**
27 **activities and related partial or final payments or settlements.**

28 “(f) **An event in which the availability of electricity or natural gas within a regional en-**
29 **ergy market is significantly constrained.**

30 “(12) ‘Secured party’ means a financing party that has been granted a security interest in rate
31 recovery assets.

32 “**SECTION 10.** ORS 757.461 is amended to read:

33 “757.461. (1)(a) A public utility may apply to the Public Utility Commission for a financing order
34 designating all or part of rate recovery expenditures as bondable rate recovery expenditures, for the
35 purpose of financing or refinancing the designated expenditures under ORS 757.415 (1)(f).

36 “(b) After notice and an opportunity for a hearing, the commission may approve an application
37 if the commission finds that:

38 “(A) The rate recovery expenditures included in the application are reasonable and prudent;

39 “(B) Financing or refinancing the rate recovery expenditures through the issuance of rate re-
40 covery bonds is likely to be more favorable to public utility customers for the recovery of rate re-
41 covery expenditures as compared to other methods; and

42 “(C) Bonds, notes, certificates of beneficial interests in a trust and other evidences of indebt-
43 edness or ownership issued pursuant to the approval are reasonably likely to receive a determi-
44 nation of, at a minimum, investment grade by credit rating agencies.

45 “(c) The commission shall issue an order within 180 days of an application approving or denying

1 the application. If the commission approves the application, the commission shall issue a financing
2 order.

3 “(2)(a) A financing order issued under this section shall specify the highest amount of rate re-
4 covery expenditures that qualify as bondable rate recovery expenditures.

5 “(b) In specifying the amount for rate recovery expenditures associated with an event described
6 in ORS 757.457 (11)(a), net of appropriate adjustments as determined by the commission to be rea-
7 sonable, the commission may include, but is not limited to including, the following rate recovery
8 expenditures:

9 “(A) Capital and operating costs incurred or to be incurred as a result of the event;

10 “(B) Lost revenue associated with the event;

11 “(C) Costs and expenses that may be recovered at a later time from third parties or insurers
12 and returned to public utility customers through a separate rate proceeding consistent with cost
13 causation and rate design principles and statutory or regulatory requirements; and

14 “(D) Carrying costs or charges.

15 “(3) A financing order issued under this section must include the following provisions:

16 “(a) Confirmation of the existence of recoverable rate recovery expenditures and authorization
17 to recover rate recovery expenditures and associated financing costs, including the maximum prin-
18 cipal amount of bondable rate recovery expenditures and financing costs that may be recovered
19 through securitization;

20 “(b) Authorization for the creation of rate recovery assets and imposition of rate recovery
21 charges that allow for the recovery of rate recovery expenditures, as determined by the commission,
22 and associated financing costs;

23 “(c) A requirement that the rate recovery charges authorized by the financing order are ongoing
24 and may not be avoided by a public utility customer, as described under subsection (4) of this sec-
25 tion, until all principal, interest, premium and other amounts due on the rate recovery bonds and
26 financing costs have been paid in full;

27 “(d) A methodology for:

28 “(A) Allocating rate recovery charges between the different classes of public utility customers,
29 which may include not allocating rate recovery charges to one or more classes of public utility
30 customers, that is consistent with cost causation and rate design principles and statutory or regu-
31 latory requirements; and

32 “(B) Adjusting rate recovery charges as necessary to ensure timely payment on, and payment
33 in full of, the rate recovery bonds and associated financing costs or in response to changes to ap-
34 plicable customers, service territories or collection rates;

35 “(e) Authorization for the public utility to issue one or more series of rate recovery bonds with
36 flexibility for the public utility to establish the terms and conditions of the rate recovery bonds,
37 including repayment schedules, initial interest rates and initial financing costs;

38 “(f) Authorization to assign rate recovery assets to a financing subsidiary and grant security
39 interests in the rate recovery assets to secured parties without limiting the rights of subsequent
40 assignees;

41 “(g) Authorization for the bond documentation and ancillary documents related to the rate re-
42 covery bonds, including servicing arrangements for the rate recovery charges, without requiring the
43 authorization to be on the final forms of the documents;

44 “(h) Authorization **for the reasonable opportunity** for the public utility to earn a return, at
45 the cost of capital authorized in the public utility’s most recent general rate case prior to the date

1 of the financing order, on any moneys advanced by the public utility to fund advances, reserves or
2 capital accounts established under the terms of any indenture, ancillary agreement or financing
3 documents related to the rate recovery bonds;

4 “(i) A finding that the proposed issuance of rate recovery bonds and the imposition of rate re-
5 covery charges is expected to provide the lowest possible reasonable and prudent cost on a net
6 present value basis to public utility customers for recovery of the rate recovery expenditures as
7 compared to **the public utility’s weighted average cost of capital** or other methods of financing
8 and recovery;

9 “(j) A date, not earlier than one year from the date that the financing order becomes final, on
10 which the authority to issue rate recovery bonds granted in the financing order expires;

11 “(k) A requirement that the public utility notify the commission if the public utility recovers
12 costs and expenses from a third party or insurer; and

13 “(L) Any other conditions that the commission finds appropriate and that are consistent with
14 this section.

15 “(4) Rate recovery charges authorized by a financing order shall be collected through the rates
16 or charges paid by, and may not be avoided by, the public utility customers located within the public
17 utility’s allocated service territory, as the territory existed on the date of the financing order or, if
18 the financing order provides, as such service territory may be expanded, even if:

19 “(a) The public utility customer receives electricity or natural gas, electricity or natural gas
20 services or ancillary services from a successor or assignee of the public utility;

21 “(b) The public utility customer elects to receive electricity or natural gas, electricity or natural
22 gas services or ancillary services from another public utility, utility provider or service provider in
23 the service territory; or

24 “(c) After the date of issuance of the financing order, the public utility customer changes cus-
25 tomer class.

26 “(5)(a) Rate recovery assets, including rate recovery charges, and the rights of public utilities,
27 assignees, bondholders and financing parties, established by a financing order issued under this
28 section, are irrevocable and unchangeable, except as provided in the financing order, until all prin-
29 cipal, interest, premium, interest and amounts due on the rate recovery bonds and financing costs
30 are paid in full.

31 “(b) Until all principal, interest, premium, interest and amounts due on the rate recovery bonds
32 and financing costs are paid in full, the commission, except as provided in the financing order, the
33 State of Oregon and a public body, as defined in ORS 174.109, may not:

34 “(A) Revalue the rate recovery expenditures or financing costs for ratemaking purposes;

35 “(B) Determine that the rates or revenues authorized under the financing order are unjust or
36 unreasonable;

37 “(C) Reduce, alter or impair the rate recovery assets, rate recovery charges or the collection
38 of the rate recovery charges, or rate recovery bonds or the security for the rate recovery bonds;

39 “(D) Rescind, suspend, amend or impair the financing order; or

40 “(E) When setting other rates or charges for the public utility or taking other actions pursuant
41 to the commission’s authority, consider the rate recovery bonds as debt of the public utility, the rate
42 recovery assets to be revenue for the public utility or the rate recovery expenditures to be costs
43 of the public utility.

44 “(6) **If the commission determines that financing certain rate recovery expenditures**
45 **through the issuance of rate recovery bonds would potentially result in benefits to public**

1 utility customers, the commission may identify those rate recovery expenditures and direct
2 a public utility to investigate and report to the commission on the costs, benefits and risks
3 of financing those rate recovery expenditures. The report may include an analysis of the
4 following:

5 “(a) Any future need for the use of rate recovery bonds;

6 “(b) The ability of the public utility to raise capital;

7 “(c) Intergenerational equity;

8 “(d) The percentage of customers’ utility bills that are currently dedicated to rate re-
9 covery bond payments; and

10 “(e) The percentage of customers’ utility bills that would need to be dedicated to rate
11 recovery bond payments to finance the rate recovery expenditures analyzed in the report.

12 “[6)] (7) The commission may not require a public utility to:

13 “(a) Apply to the commission for a financing order designating all or part of rate recovery
14 expenditures as bondable rate recovery expenditures; or

15 “(b) Finance or refinance rate recovery expenditures that the commission has designated as
16 bondable rate recovery expenditures.

17 “[7)] (8) Jurisdiction for review of a financing order issued under this section shall be as pro-
18 vided for orders in contested cases pursuant to ORS 183.482, except that a petition for rehearing
19 or reconsideration is not allowed. If a petition is not filed with the Court of Appeals within 60 days
20 following the date of issuance of a financing order, the order becomes a final and irrevocable action
21 of the commission and the State of Oregon and is not subject to administrative or judicial challenge.

22 “(9) In determining whether an event as described under ORS 757.457 (11)(f) qualifies as
23 a rate recovery expenditure, the commission shall take into consideration the following fac-
24 tors:

25 “(a) The cost and availability of wholesale power or natural gas during the event;

26 “(b) The applicability of any regional reliability assistance programs; and

27 “(c) Any issuance of a declaration related to energy reliability by a regional balancing
28 authority.

29 “REPORTS BY PUBLIC UTILITIES

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32 “SECTION 11. Sections 12 and 13 of this 2025 Act are added to and made a part of ORS
33 chapter 757.

34 “SECTION 12. (1) As used in this section and section 13 of this 2025 Act, ‘electric or na-
35 tural gas company’ means any entity that is a public utility that is engaged in the business
36 of distributing electricity or natural gas to retail customers in this state.

37 “(2) Each calendar year, an electric or natural gas company shall provide to the Public
38 Utility Commission, and make publicly available on the electric or natural gas company’s
39 website, a visual representation of the cost categories that are included in the electric or
40 natural gas company’s residential customer rates and the percentage amount of the resi-
41 dential customer rates for each cost category.

42 “(3) The commission shall by rule establish the cost categories. Cost categories must
43 include the following:

44 “(a) Transmission services infrastructure;

45 “(b) Distribution services infrastructure;

1 “(c) Power costs;

2 “(d) Wildfire mitigation;

3 “(e) Catastrophic events and emergencies;

4 “(f) Insurance, including self-insurance; and

5 “(g) Any other expenses, as determined by the commission, that an electric or natural
6 gas company seeks to recover through residential customer rates.

7 “SECTION 13. (1) The Public Utility Commission shall require each electric and natural
8 gas company to, at least annually, file with the commission, and make publicly available, a
9 report on any rate adjustments that the electric or natural gas company expects within the
10 next 12 months.

11 “(2) A report under this section must:

12 “(a) Identify all rate adjustment requests that an electric or natural gas company has
13 filed or reasonably knows or anticipates to file;

14 “(b) Identify other requests or applications that could result in a rate adjustment;

15 “(c) Provide estimates on the amounts of expected rate adjustments, if the amounts in
16 expected rate adjustments are not known with certainty; and

17 “(d) For each rate adjustment request that an electric or natural company has filed or
18 reasonably knows or anticipates to file:

19 “(A) Specify the date the electric or natural gas company filed or anticipates filing the
20 request with the commission;

21 “(B) Specify the date the electric or natural gas company requests or anticipates re-
22 questing that the rate adjustment take effect;

23 “(C) Provide the overall estimated rate impact, expressed in dollar and percentage
24 amounts, that would result from the rate adjustment if approved;

25 “(D) Provide the cumulative rate impact of a rate adjustment in the aggregate with all
26 other rate adjustments that take effect between the date of the report and the date the rate
27 adjustment takes effect; and

28 “(E) Identify the classification of service or customer that may be affected by a rate
29 adjustment and forecast how the rate adjustment may affect rates for the other customer
30 classes of the electric or natural gas company.

31 “(3) An electric or natural gas company is not required under this section to make pub-
32 licly available any information or material that is subject to confidentiality under the rules
33 of the commission.

34 “(4) The commission shall adopt rules to carry out the provisions of this section. The
35 rules must provide for procedures for an electric or natural gas company to protect the
36 confidentiality of the information described under subsection (2) of this section through the
37 use of a protective order, subject to review and approval by the commission.

38
39 “APPLICABILITY

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41 “SECTION 14. (1) Except as provided in subsection (2) of this section, sections 2 and 4
42 of this 2025 Act and the amendments to ORS 757.210 and 757.215 by sections 3 and 8 of this
43 2025 Act apply to proceedings before the Public Utility Commission that commence on or
44 after the effective date of this 2025 Act.

45 “(2) ORS 757.210 (7) applies to increases in residential rates that are approved on or after

1 the effective date of this 2025 Act.

2
3 "CAPTIONS

4
5 "SECTION 15. The unit captions used in this 2025 Act are provided only for the conven-
6 ience of the reader and do not become part of the statutory law of this state or express any
7 legislative intent in the enactment of this 2025 Act.

8
9 "EMERGENCY CLAUSE

10
11 "SECTION 16. This 2025 Act being necessary for the immediate preservation of the public
12 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect
13 on its passage."
14 _____