

Enrolled
House Bill 3546

Sponsored by Representatives MARSH, OWENS, Senator SOLLMAN, Representative GRAYBER, Senator GOLDEN; Representatives ANDERSEN, BOWMAN, CHOTZEN, DOBSON, FAHEY, FRAGALA, HUDSON, JAVADI, KROPF, MCDONALD, MCLAIN, NGUYEN H, SOSA, TRAN, WALTERS, WATANABE, Senators CAMPOS, GELSER BLOUIN, GORSEK, JAMA, MANNING JR, MEEK, NERON, PATTERSON, PHAM K

CHAPTER

AN ACT

Relating to large energy use facilities; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Sections 2 and 5 of this 2025 Act are added to and made a part of ORS chapter 757.

SECTION 2. (1) As used in this section and section 5 of this 2025 Act:

(a) “Costs of serving” includes, as applicable, the costs incurred by an electric company in providing transmission, distribution, energy, capacity or ancillary electricity services, and any related costs or associated risks with serving a class of retail electricity consumers or a retail electricity consumer.

(b) “Electric company” and “retail electricity consumer” have the meanings given those terms in ORS 757.600.

(c) “Facility” means all buildings, equipment, structures and other stationary items that are located on a single site or on contiguous or adjacent sites and that are owned or operated by the same person or by any person who controls, is controlled by or is under common control with such person.

(d) “Large energy use facility” means a facility that uses or is able to use 20 megawatts or more and is primarily engaged in providing a service described under code 518210 of the 2022 North American Industry Classification System.

(2) The Public Utility Commission shall provide for a classification of service under ORS 757.230 for retail electricity consumers that are large energy use facilities. The classification of service must be separate and distinct from classifications of service for other commercial or industrial retail electricity consumers and have its own tariff schedule. Any tariff schedule adopted by the commission for the class must:

(a)(A) Allocate the costs of serving the class of retail electricity consumers that are large energy use facilities to the class in a manner that is equal or proportional to the costs of serving the class; or

(B) Directly assign the costs of serving a retail electricity consumer that is a large energy use facility to the retail electricity consumer;

(b) Meet the same conditions the commission requires for a contract under section 5 (1)(b)(A)(v) of this 2025 Act; and

(c) Mitigate the risk of:

(A) Other classes of retail electricity consumers paying unwarranted costs; and

(B) Shifting the costs, in an unwarranted manner, of serving a retail electricity consumer that is a large energy use facility to other classes of retail electricity consumers, including costs of an electric company to meet load requirements resulting from the provision of electricity service to a retail electricity consumer that is a large energy use facility.

(3) In deciding whether to approve a proposed tariff schedule of an electric company for a classification of service described under subsection (2) of this section, the commission shall consider whether the rates:

(a) Result in, or have the potential to result in, increased costs or unwarranted risk to other retail electricity consumers;

(b) Provide for equitable contributions to grid efficiency, reliability and resiliency benefits;

(c) Impede the electric company's ability to meet the clean energy targets set forth in ORS 469A.410 or reduce the emissions of greenhouse gases consistent with state policy;

(d) Allow for procurement of or contracts for generation resources that support the electric company's ability to meet the clean energy targets set forth in ORS 469A.410 or reduce the emissions of greenhouse gases consistent with state policy; and

(e) Meet any other conditions the commission may require in the public interest.

SECTION 3. An electric company and a retail electricity consumer that is a large energy use facility are not required to use a classification of service provided for under section 2 of this 2025 Act if the Public Utility Commission has not approved for the electric company a tariff schedule for the classification of service.

SECTION 4. Section 3 of this 2025 Act is repealed on January 2, 2028.

SECTION 5. (1)(a) The Public Utility Commission shall require an electric company that is providing electricity service to a retail electricity consumer that is a large energy use facility to enter into a contract with the retail electricity consumer that covers the provision of the electricity service, including, as applicable, transmission, distribution, energy, capacity or ancillary electricity services.

(b) Any contract for the provision of electricity service entered into between an electric company and a retail electricity consumer that is a large energy use facility:

(A) Must:

(i) Be consistent with the criteria listed under section 2 (3) of this 2025 Act;

(ii) Specify the duration of the contract and be for a duration for 10 years or longer;

(iii) Specify the date or estimated date that the electric company will begin to provide electricity service to the retail electricity consumer;

(iv) Obligate the retail electricity consumer to pay a minimum amount or percentage, as determined by the commission, based on the retail electricity consumer's projected electricity usage for the electricity services the electric company is contracted to provide for the duration of the contract; and

(v) Meet any other conditions the commission may require in the public interest; and

(B) May include a charge for excess demand for the electricity services the electric company is contracted to provide that is in addition to the tariff schedule.

(2) If an electric company fails to begin to provide electricity service on or by the date or estimated date specified in a contract entered into under this section due to causes within the electric company's reasonable control, the electric company shall provide the retail electricity consumer notice of the delay as soon as reasonably practicable. A contract entered into under this section may include terms and conditions that address the possibility of a delay due to causes within the reasonable control of the parties to the contract.

(3) A contract, as described under subsection (1) of this section, may not prevent the commission from carrying out the commission's duties under this section or section 2 of this 2025 Act.

(4) Nothing in this section or section 2 of this 2025 Act is intended to limit or restrict the ability of a retail electricity consumer that is a large energy use facility from using direct access under ORS 757.603 to 757.667 or a green power rate under ORS 469A.205, a voluntary renewable energy tariff or a special contract, as approved by the commission, except the contract must meet the requirements and be consistent with the provisions of this section.

SECTION 6. Section 5 of this 2025 Act applies to retail electricity consumers that are large energy use facilities that:

(1) Enter into a contract for electricity service with an electric company on or after the effective date of this 2025 Act; or

(2) Enter into a contract for electricity service with an electric company before the effective date of this 2025 Act, if the provision of electricity service requires the electric company to make significant investments or incur costs after the effective date of this 2025 Act that could result in increased costs or risks to other retail electricity consumers of the electric company.

SECTION 7. No later than September 1 of each even-numbered year, the Public Utility Commission shall submit a report in the manner provided by ORS 192.245, and may include recommendations for legislation, to the interim committees of the Legislative Assembly related to energy. The report shall review trends in load requirements and other implications from retail electricity consumers that are large energy use facilities, as defined in section 2 of this 2025 Act, and other retail electricity consumers that use large amounts of electricity. In providing the report, the commission must protect proprietary information as provided for under rules or orders of the commission.

SECTION 8. Section 7 of this 2025 Act is repealed on January 2, 2035.

SECTION 9. This 2025 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect on its passage.

Passed by House April 22, 2025

Received by Governor:

Repassed by House June 5, 2025

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Approved:

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Timothy G. Sekerak, Chief Clerk of House

.....M.,....., 2025

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Julie Fahey, Speaker of House

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Tina Kotek, Governor

Passed by Senate June 3, 2025

Filed in Office of Secretary of State:

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Rob Wagner, President of Senate

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Tobias Read, Secretary of State