House Bill 3546

Sponsored by Representatives MARSH, OWENS, Senator SOLLMAN; Representative CHOTZEN

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.** The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Tells the PUC to provide for a class of service for facilities that use large amounts of energy. (Flesch Readability Score: 66.3).

Directs the Public Utility Commission to provide for a classification of service for large energy use facilities. Directs the commission to require an electric company to assign the costs of serving large energy use facilities to the facilities and mitigate the risks to other classes of retail electricity consumers. Defines "large energy use facility."

Declares an emergency, effective on passage.

A BILL FOR AN ACT

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

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

4 <u>SECTION 1.</u> Section 2 of this 2025 Act is added to and made a part of ORS chapter 757.

5 **SECTION 2.** (1) As used in this section:

6 (a) "Electric company" and "retail electricity consumer" have the meanings given those 7 terms in ORS 757.600.

8 (b) "Facility" means all buildings, equipment, structures and other stationary items that 9 are located on a single site or on contiguous or adjacent sites and that are owned or operated 10 by the same person or by any person who controls, is controlled by or is under common 11 control with such person.

(c) "Large energy use facility" means a facility that uses 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 industrial
 retail electricity consumers. The commission shall require an electric company to:

(a) Enter into a contract with a retail electricity consumer that is a large energy use
facility for the provision of electricity, including transmission, distribution, energy, capacity
and ancillary services. The term of the contract must be for 10 years or more. The contract
must 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 term of the contract. The contract may include a charge for excess demand.
(b) Assign the costs of serving a class of retail electricity consumers that are large en-

ergy use facilities to the class and in a manner that is proportional to the costs incurred to serve the class. The assigned costs of service must include the costs for transmission, distribution, energy and capacity, and any related costs of serving the class.

1

HB 3546

1 (c) Mitigate the risks to other classes of retail electricity consumers of paying for the 2 costs of the electric company to meet load requirements resulting from the provision of 3 electricity to a retail electric consumer that is a large energy use facility.

4 (3) The commission may approve a form contract that an electric company may use un-5 der subsection (2) of this section. In approving a form contract under this subsection, the 6 commission shall consider whether the form contract:

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(a) Results in increased costs or risk to other retail electricity consumers;

8 (b) Provides for equitable contributions to grid efficiency, reliability and resiliency bene9 fits;

(c) Impedes 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 law; and

12 (d) Meets any other conditions the commission may require in the public interest.

(4) The commission shall ensure that the terms of a contract entered into under this
 section do not result in increased costs or risks to other retail electricity consumers of the
 electric company.

16 <u>SECTION 3.</u> Section 2 (2)(a) of this 2025 Act applies to large energy use facilities that 17 submit an application for service on or after the effective date of this 2025 Act.

18 <u>SECTION 4.</u> This 2025 Act being necessary for the immediate preservation of the public 19 peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect 20 on its passage.

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