HB 3546-3 (LC 1547) 4/2/25 (CPA/ps)

Requested by Representative MARSH

## PROPOSED AMENDMENTS TO HOUSE BILL 3546

1 On <u>page 1</u> of the printed bill, delete lines 4 through 28 and delete <u>page</u> 2 2 and insert:

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

5 "SECTION 2. (1) As used in this section and section 5 of this 2025 6 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.

19 "(d) 'Large energy use facility' means a facility that uses or is able 20 to use 20 megawatts or more and is primarily engaged in providing a 21 service described under code 518210 of the 2022 North American In1 dustry 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:

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

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

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

17 "(c) Mitigate the risk of:

"(A) Other classes of retail electricity consumers paying unwar ranted 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:

30 "(a) Result in, or have the potential to result in, increased costs or

1 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.

13 "SECTION 3. An electric company and a retail electricity consumer 14 that is a large energy use facility are not required to use a classifica-15 tion of service provided for under section 2 of this 2025 Act if the 16 Public Utility Commission has not approved for the electric company 17 a tariff schedule for the classification of service.

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 Section 3 of this 2025 Act is repealed on January 2,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

20 "SECTION 5. (1)(a) The Public Utility Commission shall require an 21 electric company that is providing electricity service to a retail elec-22 tricity consumer that is a large energy use facility to enter into a 23 contract with the retail electricity consumer that covers the provision 24 of the electricity service, including, as applicable, transmission, dis-25 tribution, 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:

29 **"(A) Must:** 

30 "(i) Be consistent with the criteria listed under section 2 (3) of this

1 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 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 that is in addition to
 the tariff schedule.

"(2) If an electric company fails to begin to provide electricity ser-15vice on or by the date or estimated date specified in a contract entered 16 into under this section due to causes within the electric company's 17 reasonable control, the electric company shall provide the retail elec-18 tricity consumer notice of the delay as soon as reasonably practicable. 19 A contract entered into under this section may include terms and 20conditions that address the possibility of a delay due to causes within 21the reasonable control of the parties to the contract. 22

"(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, that is otherwise allowed

under the rules, regulations or orders of the commission, except the
contract must meet the requirements and be consistent with the provisions of this section.

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

6 "(1) Enter into a contract for electricity service with an electric 7 company on or after the effective date of this 2025 Act; or

8 "(2) Enter into a contract for electricity service with an electric 9 company before the effective date of this 2025 Act, if the provision of 10 electricity service requires the electric company to make significant 11 investments or incur costs after the effective date of this 2025 Act that 12 could result in increased costs or risks to other retail electricity con-13 sumers of the electric company.

"SECTION 7. No later than September 1 of each even-numbered 14 year, the Public Utility Commission shall submit a report in the 15manner provided by ORS 192.245, and may include recommendations 16 for legislation, to the interim committees of the Legislative Assembly 17 related to energy. The report shall review trends in load requirements 18 and other implications from retail electricity consumers that are large 19 energy use facilities, as defined in section 2 of this 2025 Act, and other 20retail electricity consumers that use large amounts of electricity. In 21providing the report, the commission must protect proprietary infor-22mation as provided for under rules or orders of the commission. 23

24 "SECTION 8. Section 7 of this 2025 Act is repealed on January 2,
25 2035.

<u>"SECTION 9.</u> 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.".

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