HB 4025 STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

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Meeting Dates: 2/18

WHAT THE MEASURE DOES:

The measure specifies that the moratorium preventing public utilities from raising their residential rates between November 1 and March 31 applies only to those that provide electricity or natural gas services. It takes effect on the 91st day following adjournment sine die.

- House Vote: Ayes, 49; Nays, 9
- No Fiscal Impact
- No Revenue Impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A public utility commission in the United States is a state-level government agency responsible for regulating investor-owned utilities (IOUs), typically including electricity, natural gas, water, telecommunications, and sometimes transportation services. Public utility commissions serve to ensure that utilities are provided to consumers at reasonable prices and that companies comply with safety standards.

Oregon's Public Utilities Commission (PUC) operates within federal law and the framework set by the legislature (see Oregon Revised Statutes chapters 756 and 757). The PUC reviews and approves the rates that utility companies can charge their customers, including residential, commercial, and industrial rates. It also approves the structure of rates, including how different customer categories are charged during seasonal rate changes or peak-demand times, which are called rate schedules or tariffs. The PUC's goal is to ensure that rates for IOUs are just, reasonable, and sufficient to allow utilities to cover operational costs and attract necessary capital.

In 2025, the legislature adopted House Bill 3179, which created a moratorium on utilities raising rates from November 1 to March 31. House Bill 4025 specifies that the moratorium applies to electric- and natural gas–distributing utilities and does not apply to other utilities, such as water-distributing utilities.