

SB 1588-2
(LC 123)
2/9/26 (CPA/ps)

Requested by Senator GOLDEN

**PROPOSED AMENDMENTS TO
SENATE BILL 1588**

1 On page 1 of the printed bill, delete lines 5 through 27 and delete pages
2 2 and 3 and insert:

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

4 **“(a) ‘Electric company’ has the meaning given that term in ORS
5 757.600.**

6 **“(b) ‘Program’ means, unless the context requires otherwise, an
7 electric company’s proposed or approved inclusive utility investment
8 program.**

9 **“(c) ‘Project’ includes energy efficiency upgrades, renewable energy
10 projects or any combination thereof.**

11 **“(2)(a) Each electric company shall develop and file with the Public
12 Utility Commission an inclusive utility investment program that is
13 consistent with the provisions of this section. Under an inclusive
14 utility investment program, an electric company shall offer to pay for
15 qualifying energy efficiency upgrades or renewable energy projects at
16 the property sites of the electric company’s customers. In return, the
17 electric company shall be entitled to recover the purchase and instal-
18 lation costs for a project at a customer’s property site through an
19 additional fixed, site-specific charge on the customer’s utility bill.**

20 **“(b) The initial inclusive utility investment program proposed by
21 an electric company shall be a pilot program that operates for no less**

1 than 18 months.

2 “(c) After operating an approved inclusive utility investment pro-
3 gram for a period of no less than 18 months, an electric utility may
4 file with the commission a request to extend the pilot program or op-
5 erate the program indefinitely.

6 “(3) The types of energy efficiency upgrades or renewable energy
7 projects that qualify for financing under an inclusive utility invest-
8 ment program may include, but are not limited to, the following:

9 “(a) Energy efficiency upgrades that are not related to the use of
10 fossil fuels;

11 “(b) Electric heat pumps;

12 “(c) Energy storage systems;

13 “(d) Demand response equipment;

14 “(e) Solar photovoltaic energy systems;

15 “(f) Solar thermal energy systems;

16 “(g) Weatherization; and

17 “(h) Any ancillary equipment or upgrades necessary to complete the
18 installation of a qualifying project.

19 “(4)(a) A customer’s participation in an inclusive utility investment
20 program is voluntary.

21 “(b) A customer may participate in an inclusive utility investment
22 program if the customer:

23 “(A) Owns a property site or is a tenant and has permission from
24 the owner of the property site to participate in the program; and

25 “(B) Does not qualify for a weatherization or energy assistance
26 program operated by a community action agency described in ORS
27 458.505.

28 “(5)(a) An inclusive utility investment program must provide a
29 participating customer with immediate and ongoing savings relative
30 to the customer’s baseline electricity or energy utility costs. The

1 amount charged for financing energy efficiency upgrades or renewable
2 energy projects at a customer's property site must be less than the
3 estimated savings reflected in the reduction in the customer's elec-
4 tricity or energy utility costs.

5 **"(b) A participating customer may not be required to make an up-**
6 **front payment. However, a customer may pay down the costs of a**
7 **project if by paying down the costs, the project qualifies for financing**
8 **through the estimated savings reflected in the reduction in the**
9 **customer's electricity or energy utility costs. Any payments made by**
10 **a customer to pay down the costs of a project must be made to the**
11 **installing contractor.**

12 **"(c) A participating customer may pay for a project through an**
13 **additional fixed, site-specific charge on the customer's utility bill or**
14 **by using a third-party structured payment arrangement.**

15 **"(6) An inclusive utility investment program must:**

16 **"(a) Ensure that participating customers use to the greatest extent**
17 **possible all other available financial incentives; and**

18 **"(b) Include customer protection standards that are based on best**
19 **practices.**

20 **"(7) An inclusive utility investment program may:**

21 **"(a) Connect participating customers with project vendors; and**

22 **"(b) Prioritize project vendors that have a history of material**
23 **compliance with state laws and regulations or that participate in an**
24 **apprenticeship program registered with the State Apprenticeship and**
25 **Training Council.**

26 **"(8) In developing an inclusive utility investment program, an**
27 **electric company shall:**

28 **"(a) Address how the electric company plans to secure capital to**
29 **fund qualifying projects. An electric company may raise capital on its**
30 **own or work with third-party lenders to secure capital for participat-**

1 **ing customers. However, the electric company shall use a market**
2 **mechanism to identify the least costly source of capital funds for the**
3 **purpose of passing on the maximum amount of savings to participat-**
4 **ing customers.**

5 **“(b) Guarantee that a program’s conservative estimates of financial**
6 **savings will immediately exceed program costs for participating cus-**
7 **tomers.**

8 **“(9) In implementing an inclusive utility investment program, an**
9 **electric company shall:**

10 **“(a) Coordinate with the entity designated by the commission to**
11 **administer moneys collected by an electric company through the pub-**
12 **lic purpose charge described under ORS 757.612 and other energy effi-**
13 **ciency incentives and program providers; and**

14 **“(b) Integrate the electric company’s program with planning re-**
15 **quirements that the electric company is required to carry out and**
16 **other energy efficiency incentives and programs.**

17 **“(10) The commission may:**

18 **“(a) Establish minimum financial savings standards that must be**
19 **realized relative to an electric company’s program costs.**

20 **“(b) Adopt and provide performance incentives based on the number**
21 **and type of customers served or the number and type of projects**
22 **completed by an electric company’s program.**

23 **“(11)(a) Subject to subsection (12) of this section, an electric com-**
24 **pany may recover prudent costs incurred in developing or implement-**
25 **ing an inclusive utility investment program that is approved by the**
26 **commission.**

27 **“(b) In determining the prudence of inclusive utility investment**
28 **program costs, the commission shall consider the benefits provided by**
29 **the program to nonparticipating ratepayers, including but not limited**
30 **to reductions in peak demand, avoided costs or other savings.**

1 **“(12)(a) The costs of an inclusive utility investment pilot program**
2 **may not exceed 0.25 percent of the annual residential customer reve-**
3 **nue per year of operation, unless an electric company requests and the**
4 **commission approves a higher percentage amount as the cost limita-**
5 **tion.**

6 **“(b) If the commission approves a request to extend a pilot program**
7 **or operate a program indefinitely, the commission may establish a**
8 **limitation on the expenses of the program that the commission deter-**
9 **mines is prudent.**

10 **“SECTION 3. (1) In developing an inclusive utility investment pro-**
11 **gram under section 2 of this 2026 Act, an electric company shall:**

12 **“(a) Review existing models and programs, including the Pay As**
13 **You Save system developed by the Energy Efficiency Institute.**

14 **“(b) Consult with the State Department of Energy, the entity des-**
15 **ignated by the Public Utility Commission to administer moneys col-**
16 **lected by an electric company through the public purpose charge**
17 **described under ORS 757.612 and utility equity advisory groups.**

18 **“(c) Consult with the commission and relevant stakeholders to de-**
19 **velop key performance indicators.**

20 **“(2)(a) An electric company shall file a proposed inclusive utility**
21 **investment pilot program with the commission no later than July 1,**
22 **2027. The commission shall deny, approve or modify and approve the**
23 **pilot program.**

24 **“(b) If the commission approves an electric company’s proposed**
25 **inclusive utility investment pilot program, the program must be**
26 **available to the electric company’s customers no later than January**
27 **1, 2028.**

28 **“(3)(a) An electric company shall use the key performance indica-**
29 **tors developed under subsection (1) of this section to track, measure**
30 **and evaluate the performance of an approved inclusive utility invest-**

1 **ment pilot program.**

2 **“(b) Within a reasonable time after an electric company has oper-**
3 **ated an inclusive utility investment pilot program for no less than 18**
4 **months and no more than 24 months, the electric company shall sub-**
5 **mit to the commission information sufficient for the commission to**
6 **evaluate the performance of the pilot program based on the key per-**
7 **formance indicators.”.**

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