## HOUSE AMENDMENTS TO HOUSE BILL 2242

By COMMITTEE ON ENERGY AND ENVIRONMENT

## March 4

- On page 1 of the printed bill, line 2, after "ORS" delete the rest of the line and line 3 and insert "756.010, 757.072 and 757.230.".
  - Delete lines 5 through 25 and insert:

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- 4 "SECTION 1. ORS 756.010 is amended to read:
- 5 "756.010. As used in ORS chapters 756, 757, 758 and 759, except as otherwise specifically pro-6 vided or unless the context requires otherwise:
  - "(1) 'Commission' means the Public Utility Commission of Oregon.
  - "(2) 'Commissioner' means a member of the Public Utility Commission of Oregon.
- 9 "(3) 'Customer' includes the patrons, passengers, shippers, subscribers, users of the service and 10 consumers of the product of a public utility or telecommunications utility.
  - "(4) 'Environmental justice' means equal protection from environmental and health hazards and meaningful public participation in decisions that affect the environment in which people live, work, learn, practice spirituality and play.
  - "(5) 'Environmental justice communities' includes communities of color, communities experiencing lower incomes, tribal communities and other communities traditionally underrepresented in public processes, including but not limited to seniors, youth and persons with disabilities.
    - "[(4)] (6) 'Municipality' means any city, municipal corporation or quasi-municipal corporation.
  - "[(5)] (7) 'Person' includes individuals, joint ventures, partnerships, corporations and associations or their officers, employees, agents, lessees, assignees, trustees or receivers.
    - "[(6)] (8) 'Public utility' has the meaning given that term in ORS 757.005.
- 22 "[(7)] (9) 'Rate' means any fare, charge, joint rate, schedule or groups of rates or other 23 remuneration or compensation for service.
  - "[(8)] (10) 'Service' is used in its broadest and most inclusive sense and includes equipment and facilities related to providing the service or the product served.
    - "[(9)] (11) 'Telecommunications utility' has the meaning given that term in ORS 759.005.
    - "SECTION 2. ORS 757.230 is amended to read:
  - "757.230. (1) The Public Utility Commission shall provide for a comprehensive classification of service for each public utility, and such classification may take into account the quantity used, the time when used, the purpose for which used, the existence of price competition or a service alternative, the services being provided, the conditions of service, differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers, and any other reasonable consideration. Based on such considerations the commission may authorize classifications or schedules of rates applicable to individual customers or groups of customers. The service classifications

and schedule forms shall be designed consistently with the requirements of ORS 469.010. Each public utility is required to conform its schedules of rates to such classification. If the commission determines that a tariff filing under ORS 757.205 results in a rate classification primarily related to price competition or a service alternative, the commission, at a minimum, shall consider the following:

- "(a) Whether the rate generates revenues at least sufficient to cover relevant short and long run costs of the utility during the term of the rates;
- "(b) Whether the rate generates revenues sufficient to insure that just and reasonable rates are established for remaining customers of the utility;
  - "(c) For electric and natural gas utilities:

- "(A) Whether it is appropriate to incorporate interruption of service in the utility's rate agreement with the customer; and
- "(B) Whether the rate agreement requires the utility to acquire new resources to serve the load; and
- "(d) For electric utilities, for service to load not previously served, the effect of the rate on the utility's average system cost through the residential exchange provision of the Pacific Northwest Electric Power Planning and Conservation Act of 1980, Public Law 96-501, as amended.
- "(2) The commission may prescribe such changes in the form in which the schedules are issued by any public utility as may be found to be expedient. The commission shall adopt rules which allow any person who requests notice of tariff filings described under subsection (1) of this section to receive such notice.".

On page 2, delete lines 1 through 23.

In line 24, delete "4" and insert "3".

In line 37, after "low-income" insert "residential" and after "or" insert "residential".

On page 3, delete lines 8 through 37 and insert:

"SECTION 4. Section 5 of this 2019 Act is added to and made a part of ORS chapter 756.

"SECTION 5. (1) The Office of the Low-Income and Environmental Justice Advocate is established in the Public Utility Commission. The office is under the supervision and control of the Low-Income and Environmental Justice Advocate, who is responsible for the performance of the duties, functions and powers of the office.

- "(2) The commission shall organize the Office of the Low-Income and Environmental Justice Advocate as a separate and independent division of the commission and shall take all actions necessary to avoid a conflict of interest or the appearance of a conflict of interest on the part of the commission or the advocate in the discharge of the responsibilities of the commission or the advocate, respectively. The commission shall separately budget the compensation and expenses to be paid for the office.
- "(3) The commission shall appoint the Low-Income and Environmental Justice Advocate, who will be responsible for representing low-income and environmental justice communities in the proceedings of the commission. The commission may delegate the duties to appoint and supervise the advocate to an officer of the commission, if the commission determines that the delegation is necessary to meet the requirements of subsection (2) of this section. In appointing the advocate, the commission shall consult with:
  - "(a) Members of the low-income and environmental justice communities; and
- "(b) The chairperson of the Environmental Justice Task Force, or the chairperson's designee.
  - "(4) The Low-Income and Environmental Justice Advocate shall be a person who has:

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- "(a) Significant background and experience working in low-income and environmental justice communities, with an emphasis on experience in evaluating the impacts of energy burdens on low-income and environmental justice communities; and
  - "(b) Experience in proceedings before the commission or in similar forums.

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- "(5) Subject to the availability of funds and the applicable provisions of ORS chapter 240, the advocate may hire staff and execute contracts to carry out the duties, functions and powers of the office and shall prescribe their duties and fix compensation or amounts.
- "(6) If the advocate determines that any commission proceeding may affect the interests of utility customers from low-income or environmental justice communities, the Office of the Low-Income and Environmental Justice Advocate may, upon exercise of the independent judgement of the office, intervene as of right as an interested party or otherwise participate in the proceeding.
- "(7) The advocate shall convene a low-income and environmental justice advisory group to advise the Office of the Low-Income and Environmental Justice Advocate in the discharge of the duties of the office.
- "(8) The advocate shall participate as a division of the Public Utility Commission in carrying out the responsibilities of the commission under ORS 182.550.
- "(9) Upon request by the Office of the Low-Income and Environmental Justice Advocate, the Attorney General shall furnish to the office such attorneys as the office finds necessary.
- "SECTION 6. The Office of the Low-Income and Environmental Justice Advocate shall provide a report on the activities of the office, in the manner provided under ORS 192.245, to the interim committees of the Legislative Assembly related to energy no later than December 1, 2021. The report:
- "(1) Shall include a description and assessment of the work of the office, including any major milestones accomplished by the office; and
- "(2) May include recommendations, including recommendations for legislation, for changes to the form or function of the office including, but not limited to, recommendations for increasing the staff or other resources available to the office.
- "SECTION 7. (1) The Public Utility Commission shall establish a public process for the purpose of investigating ways to address and mitigate, through nonbypassable means, differential energy burdens on classes of public utility customers and other inequities of affordability and environmental justice. As part of the public process established under this subsection, the commission shall:
- "(a) Investigate the potential for demand response, weatherization and other programs to reduce energy burdens and energy bills;
- "(b) Investigate the potential for mitigation of energy burdens through bill reduction measures or programs that may include, but need not be limited to, establishing a bill credit program, a low-income rate classification or a multifamily rate classification; and
- "(c) Study best practices from around the country for delivery of programs and creation of systems that mitigate differential energy burdens.
- "(2) As part of the public process established under subsection (1) of this section, the commission shall provide the public with an opportunity to comment.
- "(3) The commission shall incorporate the findings of the public process established under subsection (1) of this section into the commission's report for the year 2020 that the commission is required to provide to the Environmental Justice Task Force and to the Gov-

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- 1 ernor under ORS 182.550.
- <sup>2</sup> "SECTION 8. (1) Section 6 of this 2019 Act is repealed on January 2, 2022.
- 3 "(2) Section 7 of this 2019 Act is repealed on January 2, 2021.".

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