

(To Resolve Conflicts)

C-Engrossed
Senate Bill 461

Ordered by the House June 25
Including Senate Amendments dated April 10 and June 22 and House
Amendments dated June 25 to resolve conflicts

Sponsored by Senator DECKERT

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.

Increases amount to be collected from retail electricity consumers for low-income electric bill payment assistance. Allows annual amount collected by each electric company to vary based on electricity usage by consumers and changes in number of consumers.

Applies to electricity consumer billings that are made on or after January 1, 2008.

Increases limitation on expenditures from fees, moneys or other revenues, including Miscellaneous Receipts and specified federal funds, but excluding lottery funds and other federal funds, collected or received by Housing and Community Services Department for purposes of carrying out public purpose expenditure standard.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to low-income electric bill payment assistance; creating new provisions; amending ORS
3 757.612; limiting expenditures; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 757.612 is amended to read:

6 757.612. (1) There is established an annual public purpose expenditure standard for electric
7 companies to fund new cost-effective local energy conservation, new market transformation efforts,
8 the above-market costs of new renewable energy resources and new low-income weatherization. The
9 public purpose expenditure standard shall be funded by the public purpose charge described in sub-
10 section (2) of this section.

11 (2)(a) Beginning on the date an electric company offers direct access to its retail electricity
12 consumers, except residential electricity consumers, the electric company shall collect a public
13 purpose charge from all of the retail electricity consumers located within its service area for a pe-
14 riod of 10 years. Except as provided in paragraph (b) of this subsection, the public purpose charge
15 shall be equal to three percent of the total revenues collected by the electric company or electricity
16 service supplier from its retail electricity consumers for electricity services, distribution, ancillary
17 services, metering and billing, transition charges and other types of costs included in electric rates
18 on July 23, 1999.

19 (b) For an aluminum plant that averages more than 100 average megawatts of electricity use
20 per year, beginning on March 1, 2002, the electric company whose territory abuts the greatest per-
21 centage of the site of the aluminum plant shall collect from the aluminum company a public purpose
22 charge equal to one percent of the total revenue from the sale of electricity services to the alumi-

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 num plant from any source.

2 (3)(a) The Public Utility Commission shall establish rules implementing the provisions of this
3 section relating to electric companies.

4 (b) Subject to paragraph (e) of this subsection, funds collected by an electric company through
5 public purpose charges shall be allocated as follows:

6 (A) Sixty-three percent for new cost-effective conservation and new market transformation.

7 (B) Nineteen percent for the above-market costs of new renewable energy resources.

8 (C) Thirteen percent for new low-income weatherization.

9 (D) Five percent shall be transferred to the Housing and Community Services Department Re-
10 volving Account created under ORS 456.574 and used for the purpose of providing grants as de-
11 scribed in ORS 458.625 (2). Moneys deposited in the account under this subparagraph are
12 continuously appropriated to the Housing and Community Services Department for the purposes of
13 ORS 458.625 (2). Interest on moneys deposited in the account under this subparagraph shall accrue
14 to the account.

15 (c) The costs of administering subsections (1) to (6) of this section for an electric company shall
16 be paid out of the funds collected through public purpose charges. The commission may require that
17 an electric company direct funds collected through public purpose charges to the state agencies
18 responsible for implementing subsections (1) to (6) of this section in order to pay the costs of ad-
19 ministering such responsibilities.

20 (d) The commission shall direct the manner in which public purpose charges are collected and
21 spent by an electric company and may require an electric company to expend funds through com-
22 petitive bids or other means designed to encourage competition, except that funds dedicated for
23 low-income weatherization shall be directed to the Housing and Community Services Department as
24 provided in subsection (7) of this section. The commission may also direct that funds collected by
25 an electric company through public purpose charges be paid to a nongovernmental entity for in-
26 vestment in public purposes described in subsection (1) of this section. Notwithstanding any other
27 provision of this subsection, at least 80 percent of the funds allocated for conservation shall be spent
28 within the service area of the electric company that collected the funds.

29 (e)(A) The first 10 percent of the funds collected annually by an electric company under sub-
30 section (2) of this section shall be distributed to education service districts, as described in ORS
31 334.010, that are located in the service territory of the electric company. The funds shall be dis-
32 tributed to individual education service districts according to the weighted average daily member-
33 ship (ADMw) of the component school districts of the education service district for the prior fiscal
34 year as calculated under ORS 327.013. The commission shall establish by rule a methodology for
35 distributing a proportionate share of funds under this paragraph to education service districts that
36 are only partially located in the service territory of the electric company.

37 (B) An education service district that receives funds under this paragraph shall use the funds
38 first to pay for energy audits for school districts located within the education service district. An
39 education service district may not expend additional funds received under this paragraph on a
40 school district facility until an energy audit has been completed for that school district. To the
41 extent practicable, an education service district shall coordinate with the State Department of En-
42 ergy and incorporate federal funding in complying with this paragraph. Following completion of an
43 energy audit for an individual school district, the education service district may expend funds re-
44 ceived under this paragraph to implement the energy audit. Once an energy audit has been con-
45 ducted and completely implemented for each school district within the education service district, the

1 education service district may expend funds received under this paragraph for any of the following
2 purposes:

3 (i) Conducting energy audits. A school district shall conduct an energy audit prior to expending
4 funds on any other purpose authorized under this paragraph unless the school district has performed
5 an energy audit within the three years immediately prior to receiving the funds.

6 (ii) Weatherization and upgrading the energy efficiency of school district facilities.

7 (iii) Energy conservation education programs.

8 (iv) Purchasing electricity from environmentally focused sources and investing in renewable
9 energy resources.

10 (f) The commission may establish a different public purpose charge than the public purpose
11 charge otherwise described in subsection (2) of this section for an individual retail electricity con-
12 sumer or any class of retail electricity consumers located within the service area of an electric
13 company, provided that a retail electricity consumer with a load greater than one average megawatt
14 is not required to pay a public purpose charge in excess of three percent of its total cost of elec-
15 tricity services.

16 (g) The commission shall remove from the rates of each electric company any costs for public
17 purposes described in subsection (1) of this section that are included in rates. A rate adjustment
18 under this paragraph shall be effective on the date that the electric company begins collecting
19 public purpose charges.

20 (4) An electric company that satisfies its obligations under this section shall have no further
21 obligation to invest in conservation, new market transformation, new renewable energy resources
22 or new low-income weatherization or to provide a commercial energy conservation services program
23 and is not subject to ORS 469.631 to 469.645, 469.860 to 469.900 and 758.505 to 758.555.

24 (5)(a) A retail electricity consumer that uses more than one average megawatt of electricity at
25 any site in the prior year shall receive a credit against public purpose charges billed by an electric
26 company for that site. The amount of the credit shall be equal to the total amount of qualifying
27 expenditures for new energy conservation, not to exceed 68 percent of the annual public purpose
28 charges, and the above-market costs of purchases of new renewable energy resources incurred by
29 the retail electricity consumer, not to exceed 19 percent of the annual public purpose charges, less
30 administration costs incurred under this subsection. The credit may not exceed, on an annual basis,
31 the lesser of:

32 (A) The amount of the retail electricity consumer's qualifying expenditures; or

33 (B) The portion of the public purpose charge billed to the retail electricity consumer that is
34 dedicated to new energy conservation, new market transformation or the above-market costs of new
35 renewable energy resources.

36 (b) To obtain a credit under this subsection, a retail electricity consumer shall file with the
37 State Department of Energy a description of the proposed conservation project or new renewable
38 energy resource and a declaration that the retail electricity consumer plans to incur the qualifying
39 expenditure. The State Department of Energy shall issue a notice of precertification within 30 days
40 of receipt of the filing, if such filing is consistent with this subsection. The credit may be taken after
41 a retail electricity consumer provides a letter from a certified public accountant to the State De-
42 partment of Energy verifying that the precertified qualifying expenditure has been made.

43 (c) Credits earned by a retail electricity consumer as a result of qualifying expenditures that
44 are not used in one year may be carried forward for use in subsequent years.

45 (d)(A) A retail electricity consumer that uses more than one average megawatt of electricity at

1 any site in the prior year may request that the State Department of Energy hire an independent
 2 auditor to assess the potential for conservation investments at the site. If the independent auditor
 3 determines there is no available conservation measure at the site that would have a simple payback
 4 of one to 10 years, the retail electricity consumer shall be relieved of 54 percent of its payment
 5 obligation for public purpose charges related to the site. If the independent auditor determines that
 6 there are potential conservation measures available at the site, the retail electricity consumer shall
 7 be entitled to a credit against public purpose charges related to the site equal to 54 percent of the
 8 public purpose charges less the estimated cost of available conservation measures.

9 (B) A retail electricity consumer shall be entitled each year to the credit described in this sub-
 10 section unless a subsequent independent audit determines that new conservation investment oppor-
 11 tunities are available. The State Department of Energy may require that a new independent audit
 12 be performed on the site to determine whether new conservation measures are available, provided
 13 that the independent audits shall occur no more than once every two years.

14 (C) The retail electricity consumer shall pay the cost of the independent audits described in this
 15 subsection.

16 (6) Electric utilities and retail electricity consumers shall receive a fair and reasonable credit
 17 for the public purpose expenditures of their energy suppliers. The State Department of Energy shall
 18 adopt rules to determine eligible expenditures and the methodology by which such credits are ac-
 19 counted for and used. The rules also shall adopt methods to account for eligible public purpose
 20 expenditures made through consortia or collaborative projects.

21 (7)(a) In addition to the public purpose charge provided under subsection (2) of this section,
 22 *[beginning on October 1, 2001,]* an electric company shall collect funds for low-income electric bill
 23 payment assistance in an amount determined under paragraph (b) of this subsection.

24 *[(b) The total amount collected for low-income electric bill payment assistance under this section*
 25 *shall be \$10 million per year. The commission shall determine each electric company's proportionate*
 26 *share of the total amount. The commission shall determine the amount to be collected from a retail*
 27 *electricity consumer, except that a retail electricity consumer is not required to pay more than \$500 per*
 28 *month per site for low-income electric bill payment assistance.]*

29 **(b) The commission shall establish the amount to be collected by each electric company**
 30 **in calendar year 2008 from retail electricity consumers served by the company, and the rates**
 31 **to be charged to retail electricity consumers served by the company, so that the total an-**
 32 **anticipated collection for low-income electric bill payment assistance by all electric companies**
 33 **in calendar year 2008 is \$15 million. In calendar year 2009 and subsequent calendar years, the**
 34 **commission may not change the rates established for retail electricity consumers, but the**
 35 **total amount collected in a calendar year for low-income electric bill payment assistance may**
 36 **vary based on electricity usage by retail electricity consumers and changes in the number**
 37 **of retail electricity consumers in this state. In no event shall a retail electricity consumer**
 38 **be required to pay more than \$500 per month per site for low-income electric bill payment**
 39 **assistance.**

40 (c) Funds collected by the low-income electric bill payment assistance charge shall be paid into
 41 the Housing and Community Services Department Revolving Account created under ORS 456.574.
 42 Moneys deposited in the account under this paragraph are continuously appropriated to the Housing
 43 and Community Services Department for the purpose of funding low-income electric bill payment
 44 assistance. Interest earned on moneys deposited in the account under this paragraph shall accrue
 45 to the account. The department's cost of administering this subsection shall be paid out of funds

1 collected by the low-income electric bill payment assistance charge. Moneys deposited in the ac-
 2 count under this paragraph shall be expended solely for low-income electric bill payment assistance.
 3 Funds collected from an electric company shall be expended in the service area of the electric
 4 company from which the funds are collected.

5 (d) The Housing and Community Services Department, in consultation with the federal Advisory
 6 Committee on Energy, shall determine the manner in which funds collected under this subsection
 7 will be allocated by the department to energy assistance program providers for the purpose of pro-
 8 viding low-income bill payment and crisis assistance, including programs that effectively reduce
 9 service disconnections and related costs to retail electricity consumers and electric utilities. Priority
 10 assistance shall be directed to low-income electricity consumers who are in danger of having their
 11 electricity service disconnected.

12 (e) Notwithstanding ORS 293.140, interest on moneys deposited in the Housing and Community
 13 Services Department Revolving Account under this subsection shall accrue to the account and may
 14 be used to provide heating bill payment and crisis assistance to electricity consumers whose primary
 15 source of heat is not electricity.

16 (f) Notwithstanding ORS 757.310, the commission may allow an electric company to provide re-
 17 duced rates or other payment or crisis assistance or low-income program assistance to a low-income
 18 household eligible for assistance under the federal Low Income Home Energy Assistance Act of
 19 1981, as amended and in effect on July 23, 1999.

20 (8) For purposes of this section, "retail electricity consumers" includes any direct service in-
 21 dustrial consumer that purchases electricity without purchasing distribution services from the elec-
 22 tric utility.

23 **SECTION 2. The amendments to ORS 757.612 by section 1 of this 2007 Act apply to elec-**
 24 **tricity consumer billings that are made on or after January 1, 2008.**

25 **SECTION 2a. If Senate Bill 443 becomes law, section 1 of this 2007 Act (amending ORS**
 26 **757.612) is repealed and ORS 757.612, as amended by section 43a, chapter __, Oregon Laws**
 27 **2007 (Enrolled Senate Bill 443), is amended to read:**

28 757.612. (1) There is established an annual public purpose expenditure standard for electric
 29 companies and Oregon Community Power to fund new cost-effective local energy conservation, new
 30 market transformation efforts, the above-market costs of new renewable energy resources and new
 31 low-income weatherization. The public purpose expenditure standard shall be funded by the public
 32 purpose charge described in subsection (2) of this section.

33 (2)(a) Beginning on the date an electric company or Oregon Community Power offers direct ac-
 34 cess to its retail electricity consumers, except residential electricity consumers, the electric com-
 35 pany or Oregon Community Power shall collect a public purpose charge from all of the retail
 36 electricity consumers located within its service area until January 1, 2026. Except as provided in
 37 paragraph (b) of this subsection, the public purpose charge shall be equal to three percent of the
 38 total revenues collected by the electric company, Oregon Community Power or the electricity ser-
 39 vice supplier from its retail electricity consumers for electricity services, distribution, ancillary
 40 services, metering and billing, transition charges and other types of costs included in electric rates
 41 on July 23, 1999.

42 (b) For an aluminum plant that averages more than 100 average megawatts of electricity use
 43 per year, beginning on March 1, 2002, the electric company or Oregon Community Power whose
 44 territory abuts the greatest percentage of the site of the aluminum plant shall collect from the alu-
 45 minum company a public purpose charge equal to one percent of the total revenue from the sale of

1 electricity services to the aluminum plant from any source.

2 (3)(a) The Public Utility Commission shall establish rules implementing the provisions of this
3 section relating to electric companies and Oregon Community Power.

4 (b) Subject to paragraph (e) of this subsection, funds collected by an electric company or Oregon
5 Community Power through public purpose charges shall be allocated as follows:

6 (A) Sixty-three percent for new cost-effective conservation and new market transformation.

7 (B) Nineteen percent for the above-market costs of constructing and operating new renewable
8 energy resources with a nominal electric generating capacity, as defined in ORS 469.300, of 20
9 megawatts or less.

10 (C) Thirteen percent for new low-income weatherization.

11 (D) Five percent shall be transferred to the Housing and Community Services Department Re-
12 volving Account created under ORS 456.574 and used for the purpose of providing grants as de-
13 scribed in ORS 458.625 (2). Moneys deposited in the account under this subparagraph are
14 continuously appropriated to the Housing and Community Services Department for the purposes of
15 ORS 458.625 (2). Interest on moneys deposited in the account under this subparagraph shall accrue
16 to the account.

17 (c) The costs of administering subsections (1) to (6) of this section for an electric company or
18 Oregon Community Power shall be paid out of the funds collected through public purpose charges.
19 The commission may require that an electric company or Oregon Community Power direct funds
20 collected through public purpose charges to the state agencies responsible for implementing sub-
21 subsections (1) to (6) of this section in order to pay the costs of administering such responsibilities.

22 (d) The commission shall direct the manner in which public purpose charges are collected and
23 spent by an electric company or Oregon Community Power and may require an electric company
24 or Oregon Community Power to expend funds through competitive bids or other means designed to
25 encourage competition, except that funds dedicated for low-income weatherization shall be directed
26 to the Housing and Community Services Department as provided in subsection (7) of this section.
27 The commission may also direct that funds collected by an electric company or Oregon Community
28 Power through public purpose charges be paid to a nongovernmental entity for investment in public
29 purposes described in subsection (1) of this section. Notwithstanding any other provision of this
30 subsection:

31 (A) At least 80 percent of the funds allocated for conservation shall be spent within the service
32 area of the electric company that collected the funds; or

33 (B) If Oregon Community Power collected the funds, at least 80 percent of the funds allocated
34 for conservation shall be spent within the service area of Oregon Community Power.

35 (e)(A) The first 10 percent of the funds collected annually by an electric company or Oregon
36 Community Power under subsection (2) of this section shall be distributed to education service dis-
37 tricts, as described in ORS 334.010, that are located in the service territory of the electric company
38 or Oregon Community Power. The funds shall be distributed to individual education service districts
39 according to the weighted average daily membership (ADMw) of the component school districts of
40 the education service district for the prior fiscal year as calculated under ORS 327.013. The com-
41 mission shall establish by rule a methodology for distributing a proportionate share of funds under
42 this paragraph to education service districts that are only partially located in the service territory
43 of the electric company or Oregon Community Power.

44 (B) An education service district that receives funds under this paragraph shall use the funds
45 first to pay for energy audits for school districts located within the education service district. An

1 education service district may not expend additional funds received under this paragraph on a
2 school district facility until an energy audit has been completed for that school district. To the
3 extent practicable, an education service district shall coordinate with the State Department of En-
4 ergy and incorporate federal funding in complying with this paragraph. Following completion of an
5 energy audit for an individual school district, the education service district may expend funds re-
6 ceived under this paragraph to implement the energy audit. Once an energy audit has been con-
7 ducted and completely implemented for each school district within the education service district, the
8 education service district may expend funds received under this paragraph for any of the following
9 purposes:

10 (i) Conducting energy audits. A school district shall conduct an energy audit prior to expending
11 funds on any other purpose authorized under this paragraph unless the school district has performed
12 an energy audit within the three years immediately prior to receiving the funds.

13 (ii) Weatherization and upgrading the energy efficiency of school district facilities.

14 (iii) Energy conservation education programs.

15 (iv) Purchasing electricity from environmentally focused sources and investing in renewable
16 energy resources.

17 (f) The commission may not establish a different public purpose charge than the public purpose
18 charge described in subsection (2) of this section.

19 (4)(a) An electric company that satisfies its obligations under this section shall have no further
20 obligation to invest in conservation, new market transformation or new low-income weatherization
21 or to provide a commercial energy conservation services program and is not subject to ORS 469.631
22 to 469.645 and 469.860 to 469.900.

23 (b) Oregon Community Power, for any period during which Oregon Community Power collects
24 a public purpose charge under subsection (2) of this section:

25 (A) Shall have no other obligation to invest in conservation, new market transformation or new
26 low-income weatherization or to provide a commercial energy conservation services program; and

27 (B) Is not subject to ORS 469.631 to 469.645 and 469.860 to 469.900.

28 (5)(a) A retail electricity consumer that uses more than one average megawatt of electricity at
29 any site in the prior year shall receive a credit against public purpose charges billed by an electric
30 company or Oregon Community Power for that site. The amount of the credit shall be equal to the
31 total amount of qualifying expenditures for new energy conservation, not to exceed 68 percent of the
32 annual public purpose charges, and the above-market costs of purchases of new renewable energy
33 resources incurred by the retail electricity consumer, not to exceed 19 percent of the annual public
34 purpose charges, less administration costs incurred under this subsection. The credit may not ex-
35 ceed, on an annual basis, the lesser of:

36 (A) The amount of the retail electricity consumer's qualifying expenditures; or

37 (B) The portion of the public purpose charge billed to the retail electricity consumer that is
38 dedicated to new energy conservation, new market transformation or the above-market costs of new
39 renewable energy resources.

40 (b) To obtain a credit under this subsection, a retail electricity consumer shall file with the
41 State Department of Energy a description of the proposed conservation project or new renewable
42 energy resource and a declaration that the retail electricity consumer plans to incur the qualifying
43 expenditure. The State Department of Energy shall issue a notice of precertification within 30 days
44 of receipt of the filing, if such filing is consistent with this subsection. The credit may be taken after
45 a retail electricity consumer provides a letter from a certified public accountant to the State De-

1 partment of Energy verifying that the precertified qualifying expenditure has been made.

2 (c) Credits earned by a retail electricity consumer as a result of qualifying expenditures that
3 are not used in one year may be carried forward for use in subsequent years.

4 (d)(A) A retail electricity consumer that uses more than one average megawatt of electricity at
5 any site in the prior year may request that the State Department of Energy hire an independent
6 auditor to assess the potential for conservation investments at the site. If the independent auditor
7 determines there is no available conservation measure at the site that would have a simple payback
8 of one to 10 years, the retail electricity consumer shall be relieved of 54 percent of its payment
9 obligation for public purpose charges related to the site. If the independent auditor determines that
10 there are potential conservation measures available at the site, the retail electricity consumer shall
11 be entitled to a credit against public purpose charges related to the site equal to 54 percent of the
12 public purpose charges less the estimated cost of available conservation measures.

13 (B) A retail electricity consumer shall be entitled each year to the credit described in this sub-
14 section unless a subsequent independent audit determines that new conservation investment oppor-
15 tunities are available. The State Department of Energy may require that a new independent audit
16 be performed on the site to determine whether new conservation measures are available, provided
17 that the independent audits shall occur no more than once every two years.

18 (C) The retail electricity consumer shall pay the cost of the independent audits described in this
19 subsection.

20 (6) Electric utilities and retail electricity consumers shall receive a fair and reasonable credit
21 for the public purpose expenditures of their energy suppliers. The State Department of Energy shall
22 adopt rules to determine eligible expenditures and the methodology by which such credits are ac-
23 counted for and used. The rules also shall adopt methods to account for eligible public purpose
24 expenditures made through consortia or collaborative projects.

25 (7)(a) In addition to the public purpose charge provided under subsection (2) of this section,
26 [beginning on October 1, 2001,] an electric company or Oregon Community Power shall collect funds
27 for low-income electric bill payment assistance in an amount determined under paragraph (b) of this
28 subsection.

29 *[(b) The total amount collected for low-income electric bill payment assistance under this section*
30 *shall be \$10 million per year. The commission shall determine each electric company's proportionate*
31 *share of the total amount and Oregon Community Power's proportionate share of the total amount. The*
32 *commission shall determine the amount to be collected from a retail electricity consumer, except that a*
33 *retail electricity consumer is not required to pay more than \$500 per month per site for low-income*
34 *electric bill payment assistance.]*

35 **(b) The commission shall establish the amount to be collected by each electric company**
36 **in calendar year 2008 from retail electricity consumers served by the company, and the rates**
37 **to be charged to retail electricity consumers served by the company, so that the total an-**
38 **ticipated collection for low-income electric bill payment assistance by all electric companies**
39 **in calendar year 2008 is \$15 million. In calendar year 2009 and subsequent calendar years, the**
40 **commission may not change the rates established for retail electricity consumers, but the**
41 **total amount collected in a calendar year for low-income electric bill payment assistance may**
42 **vary based on electricity usage by retail electricity consumers and changes in the number**
43 **of retail electricity consumers in this state. In no event shall a retail electricity consumer**
44 **be required to pay more than \$500 per month per site for low-income electric bill payment**
45 **assistance.**

1 (c) Funds collected by the low-income electric bill payment assistance charge shall be paid into
 2 the Housing and Community Services Department Revolving Account created under ORS 456.574.
 3 Moneys deposited in the account under this paragraph are continuously appropriated to the Housing
 4 and Community Services Department for the purpose of funding low-income electric bill payment
 5 assistance. Interest earned on moneys deposited in the account under this paragraph shall accrue
 6 to the account. The department's cost of administering this subsection shall be paid out of funds
 7 collected by the low-income electric bill payment assistance charge. Moneys deposited in the ac-
 8 count under this paragraph shall be expended solely for low-income electric bill payment assistance.
 9 Funds collected from an electric company or Oregon Community Power shall be expended in the
 10 service area of the electric company or Oregon Community Power from which the funds are col-
 11 lected.

12 (d) The Housing and Community Services Department, in consultation with the federal Advisory
 13 Committee on Energy, shall determine the manner in which funds collected under this subsection
 14 will be allocated by the department to energy assistance program providers for the purpose of pro-
 15 viding low-income bill payment and crisis assistance, including programs that effectively reduce
 16 service disconnections and related costs to retail electricity consumers and electric utilities. Priority
 17 assistance shall be directed to low-income electricity consumers who are in danger of having their
 18 electricity service disconnected.

19 (e) Notwithstanding ORS 293.140, interest on moneys deposited in the Housing and Community
 20 Services Department Revolving Account under this subsection shall accrue to the account and may
 21 be used to provide heating bill payment and crisis assistance to electricity consumers whose primary
 22 source of heat is not electricity.

23 (f) Notwithstanding ORS 757.310, the commission may allow an electric company or Oregon
 24 Community Power to provide reduced rates or other payment or crisis assistance or low-income
 25 program assistance to a low-income household eligible for assistance under the federal Low Income
 26 Home Energy Assistance Act of 1981, as amended and in effect on July 23, 1999.

27 (8) For purposes of this section, "retail electricity consumers" includes any direct service in-
 28 dustrial consumer that purchases electricity without purchasing distribution services from the elec-
 29 tric utility.

30 (9) For purposes of this section, amounts collected by Oregon Community Power through public
 31 purpose charges are not considered moneys received from electric utility operations.

32 **SECTION 2b.** If Senate Bill 443 becomes law, section 2 of this 2007 Act is amended to read:

33 **Sec. 2.** The amendments to ORS 757.612 by section [1] 2a of this 2007 Act apply to electricity
 34 consumer billings that are made on or after January 1, 2008.

35 **SECTION 3. Notwithstanding any other law limiting expenditures, the limitation on**
 36 **expenditures established by section 2, chapter __, Oregon Laws 2007 (Enrolled Senate Bill**
 37 **5517), for the biennium beginning July 1, 2007, as the maximum limit for payment of expenses**
 38 **from fees, moneys or other revenues, including Miscellaneous Receipts and federal funds**
 39 **from the United States Department of Housing and Urban Development for contract ser-**
 40 **vices, but excluding lottery funds and other federal funds, that are collected or received by**
 41 **the Housing and Community Services Department, is increased by \$7,607,250 for the purpose**
 42 **of carrying out the provisions of ORS 757.612 (7).**

43 **SECTION 4. This 2007 Act being necessary for the immediate preservation of the public**
 44 **peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect**
 45 **on its passage.**

