

# House Bill 2926

Sponsored by COMMITTEE ON CONSUMER PROTECTION AND GOVERNMENT EFFICIENCY

## 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 **as introduced**.

Requires certain municipal utilities to return surplus earnings to counties in which customers in unincorporated communities reside in same circumstances and at same rate that apply when customers reside in city.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to surplus earnings of certain municipal utilities; amending ORS 225.270; and prescribing  
3 an effective date.

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

5 **SECTION 1.** ORS 225.270 is amended to read:

6 225.270. (1)(a) When any city [*which*] **that** owns [*or*], operates **or charters** a municipal electric  
7 power plant or system or distributing system, has paid principal and interest to date on all indebt-  
8 edness incurred in connection [*therewith*] **with the plant or system**, and has created and accumu-  
9 lated an adequate depreciation and replacement reserve in the judgment of the officer having  
10 control of [*such*] **the** plant or system, the city shall, for the purpose of reducing general property  
11 taxes within [*such*] **the** city, pay to itself not less than three percent of the annual gross operating  
12 revenue of [*such*] **the** plant or system, or a volumetric charge based upon the amounts of electricity  
13 delivered, transmitted or distributed to retail electricity consumers regardless of the source.

14 (b) [*The*] A volumetric charge **paid under this subsection** shall not be less than the equivalent  
15 of three percent of the gross operating revenues of the [*municipality*] **municipal** utility in 1999.

16 (c) The city shall adjust a volumetric charge to end users such that charges established for  
17 different customer classes bear the same approximate relationship as the gross revenues per kilo-  
18 watt hour paid by the classes in 1999.

19 (2)(a) **If a municipal electric power plant or system or distributing system owned, oper-**  
20 **ated or chartered by a city receives revenue from customers residing in an unincorporated**  
21 **community, the city shall make payments in the circumstances described in subsection (1)(a)**  
22 **of this section to the county in which the customers reside on the same basis as the city**  
23 **makes payments to itself under subsection (1)(a) and (b) of this section.**

24 (b) **This subsection applies to a municipal electric power plant or system or distributing**  
25 **system that provides service to an incorporated community with a population greater than**  
26 **100,000.**

27 **SECTION 2.** This 2013 Act takes effect on the 91st day after the date on which the 2013  
28 regular session of the Seventy-seventh Legislative Assembly adjourns sine die.

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**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.