

A-Engrossed
Senate Bill 561

Ordered by the Senate April 25
Including Senate Amendments dated April 25

Sponsored by COMMITTEE ON BUSINESS AND TRANSPORTATION

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.

Modifies provision authorizing tariff schedules for use by public utilities that provide energy resource measures to individual property owners or customers. Makes tariff schedules subject to approval by Public Utility Commission. Specifies energy resource measures that may be provided by public utilities.

[Allows public utility to include in its rates costs prudently incurred in implementing energy efficiency or energy conservation programs.]

A BILL FOR AN ACT

1
2 Relating to public utilities; amending ORS 757.247.

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

4 **SECTION 1.** ORS 757.247 is amended to read:

5 *757.247. [(1) The Public Utility Commission may authorize a public utility to file and place into*
6 *effect tariff schedules establishing rates or charges for renewable energy generation facilities, or for*
7 *energy conservation measures, services or payments, provided to individual property owners or cus-*
8 *tomers. Application of the schedule shall be subject to agreement between the public utility and the*
9 *property owner or customer receiving service at the time the renewable energy generation facilities or*
10 *conservation measures, services or payments are initially provided.]*

11 *[(2) A tariff schedule under this section may include provisions for the payment of the rates or*
12 *charges over a period of time and for the application of the payment obligation to successive property*
13 *owners or customers at the premises where the renewable energy generation facilities or conservation*
14 *measures or services were installed or performed or with respect to which the payments were made.]*

15 **(1) The Public Utility Commission may authorize a public utility, upon application of the**
16 **utility, to file and place into effect a tariff schedule establishing rates or charges for the cost**
17 **of energy resource measures provided to an individual property owner or customer pursuant**
18 **to an agreement entered into between the individual property owner or customer and the**
19 **public utility. Energy resource measures provided under this section may include:**

20 **(a) The installation of renewable energy generation facilities on the property of property**
21 **owners or the premises of customers;**

22 **(b) The implementation of energy conservation measures, including measures that are**
23 **not cost-effective;**

24 **(c) The installation of equipment or devices or the implementation of measures that en-**
25 **able demand reduction, peak load reduction, improved integration of renewable energy gen-**
26 **eration or more effective utilization of energy resources;**

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 **(d) Loans for the purposes described in paragraphs (a) to (c) of this subsection; and**
2 **(e) Direct payments to third parties for the purposes described in paragraphs (a) to (c)**
3 **of this subsection.**

4 **(2) Subject to the agreement entered into between the individual property owner or cus-**
5 **tomer and the public utility, a tariff schedule placed into effect under this section may in-**
6 **clude provisions for:**

7 **(a) The payment of the rates or charges over a period of time;**

8 **(b) Except as provided in subsection (5) of this section, a reasonable rate of return on**
9 **any investment made by the public utility;**

10 **(c) The application of any payment obligation to successive owners of the property to**
11 **which the energy resource measure is attached or to successive customers located at the**
12 **premises to which the energy resource measure is attached; and**

13 **(d) The application of the payment obligation to the current property owner or customer**
14 **alone, secured by methods agreed to by the property owner or customer and the public util-**
15 **ity.**

16 **(3) Application of a tariff schedule under this section is subject to approval by the com-**
17 **mission.**

18 **[(3)] (4) If a payment obligation applies to successive property owners or customers as**
19 **described in subsection (2)(c) of this section,** a public utility shall record a notice of *[any]* **the**
20 *payment obligation [required of a property owner or customer under this section]* in the records
21 maintained by the county clerk under ORS 205.130. The commission may prescribe by rule other
22 methods by which the public utility shall notify property owners or customers of *[any]* such payment
23 *[obligation]* **obligations.**

24 **[(4)] (5) A public utility may use moneys obtained through a rate established under ORS 757.603**
25 **(2)(a) to provide a renewable energy generation [facilities] facility to a property [owners or custom-**
26 **ers] owner or customer under this section. A public utility may not charge interest to a property**
27 **owner or customer for [facilities] a renewable energy generation facility acquired with moneys**
28 **obtained through a rate established under ORS 757.603 (2)(a).**

29 **(6) Agreements entered into and tariff schedules placed into effect under this section are**
30 **not subject to ORS 470.500 to 470.710, 757.612 or 757.689.**

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