

**A-Engrossed**  
**Senate Bill 32**

Ordered by the House May 15  
Including House Amendments dated May 15

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Rural Communities and Economic Development)

**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.

Directs Public Utility Commission to form work group to study methods by which public utility that furnishes natural gas may expand service to areas that do not have access to natural gas. Directs commission to report results of study to interim committee of Legislative Assembly related to energy on or before September 15, 2016.

Sunset on January 2, 2017.

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to natural gas; and declaring an emergency.

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

4 **SECTION 1. The Legislative Assembly finds and declares that having access to natural**  
5 **gas is in the public interest and that the extension of natural gas pipelines and other**  
6 **infrastructure necessary for providing natural gas to areas that do not have access to na-**  
7 **tural gas is necessary for the communities of this state to preserve local economies, enlarge**  
8 **tax bases and generate additional economic opportunities.**

9 **SECTION 2. (1) The Public Utility Commission shall form a work group for the purpose**  
10 **of conducting a study on methods by which a public utility that furnishes natural gas may**  
11 **expand the public utility's service to areas that do not have access to natural gas. As part**  
12 **of the study, the work group shall review the commission's authority to authorize, and the**  
13 **commission's policies on, the expansion of natural gas services. At a minimum, the work**  
14 **group shall study:**

15 (a) **The commission's policies regarding the extension of natural gas mains;**

16 (b) **Mechanisms for funding the expansion of natural gas services, including the use of**  
17 **tariffs, the imposition of charges and fees, the use of unclaimed refunds and the establish-**  
18 **ment of accounts dedicated to the expansion of natural gas services;**

19 (c) **The submission of recommendations by public utilities that furnish natural gas;**

20 (d) **Possible processes for including in a public utility's rates the cost of projects involv-**  
21 **ing the extension of natural gas pipelines and other infrastructure necessary for providing**  
22 **natural gas;**

23 (e) **Possible selection criteria for projects involving the extension of natural gas pipelines**  
24 **and other infrastructure necessary for providing natural gas; and**

25 (f) **The potential rate cap for projects involving the extension of natural gas pipelines and**

**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 **other infrastructure necessary for providing natural gas.**

2 **(2) The commission shall include in the work group:**

3 **(a) Representatives of public utilities that furnish natural gas, other energy suppliers,**  
4 **local governments and elected officials;**

5 **(b) Stakeholders who have an interest in the outcome of the study;**

6 **(c) Individuals who have knowledge about the subject matter of the study;**

7 **(d) One member from the House of Representatives who represents an area that does**  
8 **not have access to natural gas; and**

9 **(e) One member from the Senate who represents an area that does not have access to**  
10 **natural gas.**

11 **(3) The commission shall compile a report, including any recommendations for legis-**  
12 **lation, of the work group's findings and conclusions. The commission shall submit the report**  
13 **in the manner provided in ORS 192.245 to an interim committee of the Legislative Assembly**  
14 **related to energy no later than September 15, 2016.**

15 **SECTION 3. Sections 1 and 2 of this 2015 Act are repealed on January 2, 2017.**

16 **SECTION 4. This 2015 Act being necessary for the immediate preservation of the public**  
17 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**  
18 **on its passage.**

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