



February 22, 2016

Re: Consumer-Owned Utility Amendments to HB 4036

Chair Beyer and Members of the Senate Business and Transportation Committee:

This testimony is in response to the A-41 amendments to HB 4036. The consensus agreement reached in the House on annexation language impacting consumer-owned utilities is not reflected in the amendment.

In the A-Engrossed version of HB 4036, Section 5, Page 7, Lines 8-15 reflect the consensus agreement reached in the House. All electric utilities receive protection from hostile acquisitions in the A-Engrossed language. In the amendment, the hostile takeover protections are limited to electric companies only (Investor-Owned utilities). Additionally, Lines 14-15 clarify that nothing in the annexation provisions of the bill authorize the annexation of a people's utility district by a municipal electric utility. This section was moved to the wrong place in the A-41 amendment, basically making the protection moot.

We would ask the Senate to restore the protections related to annexations reflected in the A-Engrossed HB 4036, as agreed upon broadly during the House discussions and passage of the bill.

It is critical that the annexation protections in HB 4036-A be included in the final bill. There is no known opposition to this language. Please contact us with any questions or for clarification.

Thank you,

-Ted Case, Executive Director, Oregon Rural Electric Cooperative Association

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