

SB 1547-A10  
(LC 70)  
2/24/16 (DJ/ps)

Requested by Representative MCLANE

**PROPOSED AMENDMENTS TO  
A-ENGROSSED SENATE BILL 1547**

1 In line 2 of the printed A-engrossed bill, after “utilities” insert “; creating  
2 new provisions; amending ORS 297.300, 456.587, 469A.200, 470.050, 470.510,  
3 470.515, 470.530, 470.550, 470.555, 470.560, 470.815, 757.365, 757.612, 757.613,  
4 757.617, 757.659, 757.689 and 757.872 and section 3, chapter 566, Oregon Laws  
5 2011; and declaring an emergency”.

6 Delete lines 4 through 6 and insert:

7

8 **“COST-EFFECTIVE ENERGY CONSERVATION,**  
9 **MARKET TRANSFORMATION,**  
10 **RENEWABLE ENERGY RESOURCES AND LOW-INCOME**  
11 **WEATHERIZATION**

12

13 **“(Operative January 1, 2017)**

14

15 **“SECTION 1.** ORS 757.612 is amended to read:

16 *“757.612. [(1) There is established an annual public purpose expenditure*  
17 *standard for electric companies and Oregon Community Power to fund new*  
18 *cost-effective local energy conservation, new market transformation efforts, the*  
19 *above-market costs of new renewable energy resources and new low-income*  
20 *weatherization. The public purpose expenditure standard shall be funded by*  
21 *the public purpose charge described in subsection (2) of this section.]*

1       “[(2)(a) *Beginning on the date an electric company or Oregon Community*  
2 *Power offers direct access to its retail electricity consumers, except residential*  
3 *electricity consumers, the electric company or Oregon Community Power shall*  
4 *collect a public purpose charge from all of the retail electricity consumers lo-*  
5 *cated within its service area until January 1, 2026. Except as provided in*  
6 *paragraph (b) of this subsection, the public purpose charge shall be equal to*  
7 *three percent of the total revenues collected by the electric company, Oregon*  
8 *Community Power or the electricity service supplier from its retail electricity*  
9 *consumers for electricity services, distribution, ancillary services, metering and*  
10 *billing, transition charges and other types of costs included in electric rates*  
11 *on July 23, 1999.]*

12       “[(b) *For an aluminum plant that averages more than 100 average mega-*  
13 *watts of electricity use per year, beginning on March 1, 2002, the electric*  
14 *company or Oregon Community Power whose territory abuts the greatest per-*  
15 *centage of the site of the aluminum plant shall collect from the aluminum*  
16 *company a public purpose charge equal to one percent of the total revenue from*  
17 *the sale of electricity services to the aluminum plant from any source.]*

18       “[(3)(a) *The Public Utility Commission shall establish rules implementing*  
19 *the provisions of this section relating to electric companies and Oregon Com-*  
20 *munity Power.]*

21       “[(b) *Subject to paragraph (e) of this subsection, funds collected by an*  
22 *electric company or Oregon Community Power through public purpose charges*  
23 *shall be allocated as follows:]*

24       “[(A) *Sixty-three percent for new cost-effective conservation, new market*  
25 *transformation.]*

26       “[(B) *Nineteen percent for the above-market costs of constructing and oper-*  
27 *ating new renewable energy resources with a nominal electric generating ca-*  
28 *capacity, as defined in ORS 469.300, of 20 megawatts or less.]*

29       “[(C) *Thirteen percent for new low-income weatherization.]*

30       “[(D) *Five percent shall be transferred to the Housing and Community*

1 *Services Department Electricity Public Purpose Charge Fund established by*  
2 *ORS 456.587 (1) and used for the purpose of providing grants as described in*  
3 *ORS 458.625 (2).]*

4 *“(c) The costs of administering subsections (1) to (6) of this section for an*  
5 *electric company or Oregon Community Power shall be paid out of the funds*  
6 *collected through public purpose charges. The commission may require that an*  
7 *electric company or Oregon Community Power direct funds collected through*  
8 *public purpose charges to the state agencies responsible for implementing sub-*  
9 *sections (1) to (6) of this section in order to pay the costs of administering such*  
10 *responsibilities.]*

11 *“(d) The commission shall direct the manner in which public purpose*  
12 *charges are collected and spent by an electric company or Oregon Community*  
13 *Power and may require an electric company or Oregon Community Power to*  
14 *expend funds through competitive bids or other means designed to encourage*  
15 *competition, except that funds dedicated for low-income weatherization shall*  
16 *be directed to the Housing and Community Services Department as provided*  
17 *in subsection (7) of this section. The commission may also direct that funds*  
18 *collected by an electric company or Oregon Community Power through public*  
19 *purpose charges be paid to a nongovernmental entity for investment in public*  
20 *purposes described in subsection (1) of this section. Notwithstanding any other*  
21 *provision of this subsection:]*

22 *“(A) At least 80 percent of the funds allocated for conservation shall be*  
23 *spent within the service area of the electric company that collected the funds;*  
24 *or]*

25 *“(B) If Oregon Community Power collected the funds, at least 80 percent*  
26 *of the funds allocated for conservation shall be spent within the service area*  
27 *of Oregon Community Power.]*

28 *“(e)(A) The first 10 percent of the funds collected annually by an electric*  
29 *company or Oregon Community Power under subsection (2) of this section shall*  
30 *be distributed to school districts that are located in the service territory of the*

1 *electric company or Oregon Community Power. The funds shall be distributed*  
2 *to individual school districts according to the weighted average daily mem-*  
3 *bership (ADMw) of each school district for the prior fiscal year as calculated*  
4 *under ORS 327.013. The commission shall establish by rule a methodology for*  
5 *distributing a proportionate share of funds under this paragraph to school*  
6 *districts that are only partially located in the service territory of the electric*  
7 *company or Oregon Community Power.]*

8 *“(B) A school district that receives funds under this paragraph shall use*  
9 *the funds first to pay for energy audits for schools located within the school*  
10 *district. A school district may not expend additional funds received under this*  
11 *paragraph on a school facility until an energy audit has been completed for*  
12 *that school facility. To the extent practicable, a school district shall coordinate*  
13 *with the State Department of Energy and incorporate federal funding in com-*  
14 *plying with this paragraph. Following completion of an energy audit for an*  
15 *individual school, the school district may expend funds received under this*  
16 *paragraph to implement the energy audit. Once an energy audit has been con-*  
17 *ducted and completely implemented for each school within the school district,*  
18 *the school district may expend funds received under this paragraph for any*  
19 *of the following purposes:]*

20 *“(i) Conducting energy audits. A school district shall conduct an energy*  
21 *audit prior to expending funds on any other purpose authorized under this*  
22 *paragraph unless the school district has performed an energy audit within the*  
23 *three years immediately prior to receiving the funds.]*

24 *“(ii) Weatherization and upgrading the energy efficiency of school district*  
25 *facilities.]*

26 *“(iii) Energy conservation education programs.]*

27 *“(iv) Purchasing electricity from environmentally focused sources and in-*  
28 *vesting in renewable energy resources.]*

29 *“(f) The commission may not establish a different public purpose charge*  
30 *than the public purpose charge described in subsection (2) of this section.]*

1       “(g) *If the commission directs funds collected through public purpose*  
2 *charges to a nongovernmental entity, the entity shall:*]

3       “(1)(a) **The Public Utility Commission shall adopt by rule or order**  
4 **cost-effective energy conservation measures and market transforma-**  
5 **tion measures for electric companies to fund. In adopting rules or or-**  
6 **ders under this subsection, the commission:**

7       “(A) **Shall require an electric company to collect moneys from the**  
8 **retail electricity consumers located within the electric company’s ser-**  
9 **vice territory for the purpose of funding the measures;**

10       “(B) **Shall require an electric company to expend moneys collected**  
11 **under subparagraph (A) of this paragraph in the manner described in**  
12 **subsection (5) of this section; and**

13       “(C) **Shall require the costs associated with funding the measures**  
14 **to be borne equally by all customer classes served by an electric com-**  
15 **pany.**

16       “(b) **All prudently incurred costs related to the funding of cost-**  
17 **effective energy conservation measures and market transformation**  
18 **measures under this subsection are recoverable in the rates of an**  
19 **electric company.**

20       “(c) **An electric company shall pay the cost of administering this**  
21 **subsection out of moneys collected under this subsection.**

22       “(2)(a) **The commission shall require by rule or order an electric**  
23 **company to collect moneys from the retail electricity consumers lo-**  
24 **cated within the electric company’s service territory for the purpose**  
25 **of funding one or more of the following types of projects:**

26       “(A) **The construction and operation of new renewable energy re-**  
27 **sources with a nominal electric generating capacity, as defined in ORS**  
28 **469.300, of not more than 20 megawatts; or**

29       “(B) **Projects that do not rely on fossil fuels and that provide an-**  
30 **cillary services or that provide for the integration of renewable energy**

1 resources into an electric company's electric system.

2 “(b) The commission shall authorize an electric company to include  
3 in the electric company's rates the above-market costs associated with  
4 the projects described in paragraph (a) of this subsection provided that  
5 the rate impact of those costs:

6 “(A) Is not less than \_\_\_ percent of the electric company's annual  
7 revenue requirement as identified by the commission; and

8 “(B) Is not more than \_\_\_ percent of an electric company's annual  
9 revenue requirement as identified by the commission.

10 “(c) An electric company shall pay the cost of administering this  
11 subsection out of moneys collected under this subsection.

12 “(3)(a) The commission shall require by rule or order an electric  
13 company to collect moneys for low-income weatherization. Moneys  
14 collected under this subsection shall be transferred to the Housing and  
15 Community Services Department and deposited in the Housing and  
16 Community Services Department Electricity Fund established in ORS  
17 456.587 (1).

18 “(b) The commission shall authorize an electric company to include  
19 in the electric company's rates the costs described in paragraph (a)  
20 of this subsection provided that the rate impact of those costs:

21 “(A) Is not less than \_\_\_ percent of an electric company's annual  
22 revenue requirement as identified by the commission; and

23 “(B) Is not more than \_\_\_ percent of an electric company's annual  
24 revenue requirement as identified by the commission.

25 “(c) The department shall biennially contract for an independent  
26 audit of moneys transferred to the department under this subsection.  
27 The audit must include a financial examination of moneys directly  
28 spent by the department, moneys spent as part of a grant and moneys  
29 spent by contractors or other parties involved in expending moneys  
30 transferred to the department under this subsection.

1       “(d) An electric company shall pay the cost of administering this  
2 subsection out of moneys collected under this subsection.

3       “(4) In addition to the collection of moneys as described in sub-  
4 sections (1) to (3) of this section, there is established an annual public  
5 purpose charge to be collected by an electric company from the retail  
6 electricity consumers located within the electric company’s service  
7 territory. The annual public purpose charge must be 0.135 percent of  
8 the total revenues collected by an electric company for electricity  
9 services, distribution services, ancillary services, metering and billing  
10 services, transition charges and other types of costs included in an  
11 electric company’s rates, as identified by the commission by rule or  
12 order. Moneys collected under this subsection shall be transferred to  
13 the Housing and Community Services Department and deposited in the  
14 Housing and Community Services Department Electricity Fund estab-  
15 lished in ORS 456.587 (1).

16       “(5)(a) Except as provided in paragraph (b) of this subsection, the  
17 commission shall require, pursuant to a rule or order adopted under  
18 subsections (1) and (2) of this section, an electric company to expend  
19 moneys collected under subsections (1) and (2) of this section through  
20 competitive bids or other means designed to encourage competition,  
21 provided that at least 80 percent of the moneys collected for the pur-  
22 pose of funding cost-effective energy conservation measures are spent  
23 within the service territory of the electric company that collected the  
24 moneys. To achieve this purpose, the commission may direct moneys  
25 collected under subsections (1) and (2) of this section to be paid to a  
26 nongovernmental entity described in paragraph (c) of this subsection.

27       “(b) As part of the cost-effective energy conservation measures  
28 adopted under subsection (1)(a) of this section, the commission shall  
29 require by rule or order a portion of the moneys collected pursuant to  
30 subsection (1) of this section to be diverted to a program through

1 **which cost-effective energy conservation measures are provided to**  
2 **school districts within the service territory of the electric company**  
3 **collecting the moneys. A program to which moneys are diverted under**  
4 **this paragraph may include the following measures:**

5 **“(A) Energy audits;**

6 **“(B) Upgrades to the energy efficiency of school district facilities;**

7 **“(C) Energy conservation education programs;**

8 **“(D) Purchasing electricity from environmentally focused sources;**

9 **and**

10 **“(E) Investing in renewable energy resources.**

11 **“(c) A nongovernmental entity to which the commission directs**  
12 **moneys to be paid under paragraph (a) of this subsection shall:**

13 **“(A) Include on the entity’s board of directors an ex officio member des-**  
14 **ignated by the commission, who [shall] also shall serve on the entity’s**  
15 **nominating committee for filling board vacancies.**

16 **“(B) Require the entity’s officers and directors to provide an annual dis-**  
17 **closure of economic interest to be filed with the commission on or prior to**  
18 **April 15 of each calendar year for public review in a form similar to the**  
19 **statement of economic interest required for public officials under ORS**  
20 **244.060.**

21 **“(C) Require the entity’s officers and directors to declare actual and po-**  
22 **tential conflicts of interest at regular meetings of the entity’s governing body**  
23 **when [such] conflicts of interest arise, and require an officer or director to**  
24 **abstain from participating in any discussion or vote on any item where that**  
25 **officer or director has an actual conflict of interest. For the purposes of this**  
26 **subparagraph, ‘actual conflict of interest’ and ‘potential conflict of interest’**  
27 **have the meanings given those terms in ORS 244.020.**

28 **“(D) Arrange for an independent auditor to audit the entity’s financial**  
29 **statements annually, and direct the auditor to file an audit opinion with the**  
30 **commission for public review.**



1 “(E) **Annually** file with the commission [*annually*] the entity’s budget,  
2 action plan and quarterly and annual reports for public review.

3 “(F) At least once every five years, contract for an independent manage-  
4 ment evaluation to review the entity’s operations, efficiency and effective-  
5 ness, and direct the independent reviewer to file a report with the  
6 commission for public review.

7 “[*h*] (d) The commission may remove from the board of directors of a  
8 nongovernmental entity **to which the commission directs moneys to be**  
9 **paid under paragraph (a) of this subsection** an officer or director who  
10 fails to provide an annual disclosure of economic interest, or **who fails to**  
11 declare actual or potential conflict of interest, as described in paragraph  
12 [*g*](B) and (C)] (c)(B) and (C) of this subsection, in connection with the  
13 allocation or expenditure of [*funds collected through public purpose charges*  
14 *and directed to the entity*] **moneys collected under subsections (1) and (2)**  
15 **of this section and paid to the nongovernmental entity.**

16 “[*4*](a) (6) An electric company that satisfies its obligations under this  
17 section [*shall have*] **has** no further obligation to invest in **energy** conserva-  
18 tion **measures**, [*new*] market transformation **measures** or [*new*] low-income  
19 weatherization, or to provide a commercial energy conservation services  
20 program, and is not subject to ORS 469.631 to 469.645 and 469.860 to 469.900.

21 “[*b*] *Oregon Community Power, for any period during which Oregon*  
22 *Community Power collects a public purpose charge under subsection (2) of this*  
23 *section:*]

24 “[*A*] *Shall have no other obligation to invest in conservation, new market*  
25 *transformation or new low-income weatherization or to provide a commercial*  
26 *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*  
29 *megawatt of electricity at any site in the prior year shall receive a credit*  
30 *against public purpose charges billed by an electric company or Oregon Com-*

1 *munity Power for that site. The amount of the credit shall be equal to the total*  
2 *amount of qualifying expenditures for new energy conservation, not to exceed*  
3 *68 percent of the annual public purpose charges, and the above-market costs*  
4 *of purchases of new renewable energy resources incurred by the retail elec-*  
5 *tricity consumer, not to exceed 19 percent of the annual public purpose charges,*  
6 *less administration costs incurred under this subsection. The credit may not*  
7 *exceed, on an annual basis, the lesser of:]*

8 *“(A) The amount of the retail electricity consumer’s qualifying expendi-*  
9 *tures; or]*

10 *“(B) The portion of the public purpose charge billed to the retail electricity*  
11 *consumer that is dedicated to new energy conservation, new market transfor-*  
12 *mation or the above-market costs of new renewable energy resources.]*

13 *“(b) To obtain a credit under this subsection, a retail electricity consumer*  
14 *shall file with the State Department of Energy a description of the proposed*  
15 *conservation project or new renewable energy resource and a declaration that*  
16 *the retail electricity consumer plans to incur the qualifying expenditure. The*  
17 *State Department of Energy shall issue a notice of precertification within 30*  
18 *days of receipt of the filing, if such filing is consistent with this subsection.*  
19 *The credit may be taken after a retail electricity consumer provides a letter*  
20 *from a certified public accountant to the State Department of Energy verifying*  
21 *that the precertified qualifying expenditure has been made.]*

22 *“(c) Credits earned by a retail electricity consumer as a result of qualifying*  
23 *expenditures that are not used in one year may be carried forward for use in*  
24 *subsequent years.]*

25 *“(d)(A) A retail electricity consumer that uses more than one average*  
26 *megawatt of electricity at any site in the prior year may request that the State*  
27 *Department of Energy hire an independent auditor to assess the potential for*  
28 *conservation investments at the site. If the independent auditor determines*  
29 *there is no available conservation measure at the site that would have a simple*  
30 *payback of one to 10 years, the retail electricity consumer shall be relieved of*

1 54 percent of its payment obligation for public purpose charges related to the  
2 site. If the independent auditor determines that there are potential conservation  
3 measures available at the site, the retail electricity consumer shall be entitled  
4 to a credit against public purpose charges related to the site equal to 54 percent  
5 of the public purpose charges less the estimated cost of available conservation  
6 measures.]

7 “[B) A retail electricity consumer shall be entitled each year to the credit  
8 described in this subsection unless a subsequent independent audit determines  
9 that new conservation investment opportunities are available. The State De-  
10 partment of Energy may require that a new independent audit be performed  
11 on the site to determine whether new conservation measures are available,  
12 provided that the independent audits shall occur no more than once every two  
13 years.]

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

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

22 **“(7) The commission shall adopt rules under which a retail elec-**  
23 **tricity consumer that uses more than one average megawatt of elec-**  
24 **tricity at a single site in the year immediately preceding the year in**  
25 **which moneys are collected under subsections (1) to (4) of this section**  
26 **shall receive a credit against amounts billed by an electric company,**  
27 **provided that the retail electricity consumer uses the credit to imple-**  
28 **ment one or more energy conservation measures at the site.**

29 “[7)(a)] **(8)(a)** In addition to [the public purpose charge provided under  
30 subsection (2)] **the moneys collected under subsections (1) to (4) of this**

1 section, an electric company [*or Oregon Community Power*] shall collect  
2 funds for low-income electric bill payment assistance in an amount deter-  
3 mined under paragraph (b) of this subsection.

4 “(b) The commission shall establish the amount of **of moneys** to be collected  
5 by each electric company in **the** calendar year 2008 from retail electricity  
6 consumers served by the company, and the rates to be charged to retail  
7 electricity consumers served by the company, so that the total anticipated  
8 collection for low-income electric bill payment assistance by all electric  
9 companies in **the** calendar year 2008 is \$15 million. In [*calendar year 2009*  
10 *and*] subsequent calendar years, the commission may not change the rates  
11 established for retail electricity consumers, but the total amount of **of moneys**  
12 collected in a calendar year for low-income electric bill payment assistance  
13 may vary based on electricity usage by retail electricity consumers and  
14 changes in the number of retail electricity consumers in this state[. *In no*  
15 *event shall*], **provided that** a retail electricity consumer [*be*] **is not** required  
16 to pay more than \$500 per month per site for low-income electric bill pay-  
17 ment assistance.

18 “(c) [*Funds collected by the low-income electric bill payment assistance*  
19 *charge*] **Moneys collected under this subsection** shall be paid into the  
20 Housing and Community Services Department Low-Income Electric Bill  
21 Payment Assistance Fund established [*by*] **in** ORS 456.587 (2). Moneys de-  
22 posited in the fund under this paragraph shall be used by the Housing and  
23 Community Services Department for the purpose of funding low-income  
24 electric bill payment assistance. [*The department’s cost of administering this*  
25 *subsection shall be paid out of funds collected by the low-income electric bill*  
26 *payment assistance charge.*] **The department shall pay the cost of admin-**  
27 **istering this subsection out of moneys collected under this subsection.**  
28 Moneys deposited in the fund under this paragraph [*shall*] **may** be expended  
29 solely for **the purpose of** low-income electric bill payment assistance.  
30 [*Funds*] **Moneys** collected [*from*] **by** an electric company [*or Oregon Com-*

1 *munity Power*] shall be expended in the service [*area*] **territory** of the elec-  
2 tric company [*or Oregon Community Power from which the funds are*  
3 *collected*] **that collected the moneys.**

4 “(d)(A) The Housing and Community Services Department shall determine  
5 the manner in which [*funds*] **moneys** collected under this subsection [*will*  
6 *be*] **are** allocated by the department to energy assistance program providers  
7 for the purpose of providing low-income **electric** bill payment [*and crisis*]  
8 assistance.

9 “(B) **In consultation with electric companies,** the department shall  
10 investigate and may implement alternative delivery models [*in consultation*  
11 *with electric companies*] to effectively reduce service disconnections and re-  
12 lated costs to retail electricity consumers and electric [*utilities*]  
13 **companies.**

14 “(C) Priority assistance shall be directed to low-income electricity con-  
15 sumers [*who*] **that** are in danger of having their electricity service discon-  
16 nected.

17 “(D) The department shall maintain records and provide those records  
18 upon request to an electric company[, *Oregon Community Power*] and the  
19 Citizens’ Utility Board established under ORS chapter 774 on a quarterly  
20 basis. Records maintained must include the numbers of low-income electricity  
21 consumers served, the average amounts paid and the type of assistance pro-  
22 vided. Electric companies [*and Oregon Community Power*] shall, if requested,  
23 provide the department with aggregate data relating to consumers served on  
24 a quarterly basis to support program development.

25 “(e) Interest on moneys deposited in the Housing and Community Services  
26 Department Low-Income Electric Bill Payment Assistance Fund established  
27 [*by*] **in** ORS 456.587 (2) may be used to provide bill payment [*and crisis*] as-  
28 sistance to **retail** electricity consumers whose primary source of heat is not  
29 electricity.

30 “(f) Notwithstanding ORS 757.310, the commission may allow an electric

1 company [or *Oregon Community Power*] to provide reduced rates or other  
2 payment or crisis assistance or low-income program assistance to a low-  
3 income household eligible for assistance under the federal Low Income Home  
4 Energy Assistance Act of 1981, as amended and in effect on July 23, 1999.

5 “[8] (9) For purposes of this section, ‘retail electricity consumers’ in-  
6 cludes any direct service industrial consumer that purchases electricity  
7 without purchasing distribution services from [*the*] **an** electric utility.

8 “[9] *For purposes of this section, amounts collected by Oregon Community*  
9 *Power through public purpose charges are not considered moneys received from*  
10 *electric utility operations.*]

11

12 “(Operative January 1, 2023)

13

14 “**SECTION 2.** ORS 757.612, as amended by section 1 of this 2016 Act, is  
15 amended to read:

16 “757.612. (1)(a) The Public Utility Commission shall adopt by rule or order  
17 cost-effective energy conservation measures and market transformation  
18 measures for electric companies to fund. In adopting rules or orders under  
19 this subsection, the commission:

20 “(A) Shall require an electric company to collect moneys from the retail  
21 electricity consumers located within the electric company’s service territory  
22 for the purpose of funding the measures;

23 “(B) Shall require an electric company to expend moneys collected under  
24 subparagraph (A) of this paragraph in the manner described in subsection (5)  
25 of this section; and

26 “(C) Shall require the costs associated with funding the measures to be  
27 borne equally by all customer classes served by an electric company.

28 “(b) All prudently incurred costs related to the funding of cost-effective  
29 energy conservation measures and market transformation measures under  
30 this subsection are recoverable in the rates of an electric company.

1 “(c) An electric company shall pay the cost of administering this sub-  
2 section out of moneys collected under this subsection.

3 “(2)(a) The commission shall require by rule or order an electric company  
4 to collect moneys from the retail electricity consumers located within the  
5 electric company’s service territory for the purpose of funding one or more  
6 of the following types of projects:

7 “(A) The construction and operation of new renewable energy resources  
8 with a nominal electric generating capacity, as defined in ORS 469.300, of  
9 not more than 20 megawatts; or

10 “(B) Projects that do not rely on fossil fuels and that provide ancillary  
11 services or that provide for the integration of renewable energy resources  
12 into an electric company’s electric system.

13 “(b) The commission shall authorize an electric company to include in the  
14 electric company’s rates the above-market costs associated with the projects  
15 described in paragraph (a) of this subsection provided that the rate impact  
16 of those costs:

17 “(A) Is not less than \_\_\_\_ percent of the electric company’s annual reve-  
18 nue requirement as identified by the commission; and

19 “(B) Is not more than \_\_\_\_ percent of an electric company’s annual reve-  
20 nue requirement as identified by the commission.

21 “(c) An electric company shall pay the cost of administering this sub-  
22 section out of moneys collected under this subsection.

23 “(3)(a) The commission shall require by rule or order an electric company  
24 to collect moneys for low-income weatherization. Moneys collected under  
25 this subsection shall be transferred to the Housing and Community Services  
26 Department and deposited in the Housing and Community Services Depart-  
27 ment Electricity Fund established in ORS 456.587 (1).

28 “(b) The commission shall authorize an electric company to include in the  
29 electric company’s rates the costs described in paragraph (a) of this sub-  
30 section provided that the rate impact of those costs:

1 “(A) Is not less than \_\_\_\_ percent of an electric company’s annual revenue  
2 requirement as identified by the commission; and

3 “(B) Is not more than \_\_\_\_ percent of an electric company’s annual reve-  
4 nue requirement as identified by the commission.

5 “(c) The department shall biennially contract for an independent audit  
6 of moneys transferred to the department under this subsection. The audit  
7 must include a financial examination of moneys directly spent by the de-  
8 partment, moneys spent as part of a grant and moneys spent by contractors  
9 or other parties involved in expending moneys transferred to the department  
10 under this subsection.

11 **“(d) The Citizens’ Utility Board established under ORS chapter 774**  
12 **or the association representing the statewide community action**  
13 **agency network described in ORS 458.505 (1) may file, in a form and**  
14 **manner prescribed by the commission, a request for the commission**  
15 **to conduct a public hearing on and make a determination about the**  
16 **administration of moneys collected under this subsection. The com-**  
17 **mission shall make its determination by identifying the method of**  
18 **administering the moneys that best serves the public interest. The**  
19 **commission may determine that the department should continue ad-**  
20 **ministering the moneys, that an independent third party should ad-**  
21 **minister the moneys or that another means of administering the**  
22 **moneys should occur as proposed in a petition filed under this para-**  
23 **graph.**

24 “[*d*] (e) An electric company shall pay the cost of administering this  
25 subsection out of moneys collected under this subsection.

26 “(4) In addition to the collection of moneys as described in subsections  
27 (1) to (3) of this section, there is established an annual public purpose charge  
28 to be collected by an electric company from the retail electricity consumers  
29 located within the electric company’s service territory. The annual public  
30 purpose charge must be 0.135 percent of the total revenues collected by an



1 electric company for electricity services, distribution services, ancillary ser-  
2 vices, metering and billing services, transition charges and other types of  
3 costs included in an electric company's rates, as identified by the commission  
4 by rule or order. Moneys collected under this subsection shall be transferred  
5 to the Housing and Community Services Department and deposited in the  
6 Housing and Community Services Department Electricity Fund established  
7 in ORS 456.587 (1).

8 “(5)(a) Except as provided in paragraph (b) of this subsection, the com-  
9 mission shall require, pursuant to a rule or order adopted under subsections  
10 (1) and (2) of this section, an electric company to expend moneys collected  
11 under subsections (1) and (2) of this section through competitive bids or  
12 other means designed to encourage competition, provided that at least 80  
13 percent of the moneys collected for the purpose of funding cost-effective en-  
14 ergy conservation measures are spent within the service territory of the  
15 electric company that collected the moneys. To achieve this purpose, the  
16 commission may direct moneys collected under subsections (1) and (2) of this  
17 section to be paid to a nongovernmental entity described in paragraph (c)  
18 of this subsection.

19 “(b) As part of the cost-effective energy conservation measures adopted  
20 under subsection (1)(a) of this section, the commission shall require by rule  
21 or order a portion of the moneys collected pursuant to subsection (1) of this  
22 section to be diverted to a program through which cost-effective energy  
23 conservation measures are provided to school districts within the service  
24 territory of the electric company collecting the moneys. A program to which  
25 moneys are diverted under this paragraph may include the following meas-  
26 ures:

27 “(A) Energy audits;

28 “(B) Upgrades to the energy efficiency of school district facilities;

29 “(C) Energy conservation education programs;

30 “(D) Purchasing electricity from environmentally focused sources; and

1       “(E) Investing in renewable energy resources.

2       “(c) A nongovernmental entity to which the commission directs moneys  
3 to be paid under paragraph (a) of this subsection shall:

4       “(A) Include on the entity’s board of directors an ex officio member des-  
5 ignated by the commission, who also shall serve on the entity’s nominating  
6 committee for filling board vacancies.

7       “(B) Require the entity’s officers and directors to provide an annual dis-  
8 closure of economic interest to be filed with the commission on or prior to  
9 April 15 of each calendar year for public review in a form similar to the  
10 statement of economic interest required for public officials under ORS  
11 244.060.

12       “(C) Require the entity’s officers and directors to declare actual and po-  
13 tential conflicts of interest at regular meetings of the entity’s governing body  
14 when conflicts of interest arise, and require an officer or director to abstain  
15 from participating in any discussion or vote on any item where that officer  
16 or director has an actual conflict of interest. For the purposes of this sub-  
17 paragraph, ‘actual conflict of interest’ and ‘potential conflict of interest’  
18 have the meanings given those terms in ORS 244.020.

19       “(D) Arrange for an independent auditor to audit the entity’s financial  
20 statements annually, and direct the auditor to file an audit opinion with the  
21 commission for public review.

22       “(E) Annually file with the commission the entity’s budget, action plan  
23 and quarterly and annual reports for public review.

24       “(F) At least once every five years, contract for an independent manage-  
25 ment evaluation to review the entity’s operations, efficiency and effective-  
26 ness, and direct the independent reviewer to file a report with the  
27 commission for public review.

28       “(d) The commission may remove from the board of directors of a non-  
29 governmental entity to which the commission directs moneys to be paid un-  
30 der paragraph (a) of this subsection an officer or director who fails to

1 provide an annual disclosure of economic interest, or who fails to declare  
2 actual or potential conflict of interest, as described in paragraph (c)(B) and  
3 (C) of this subsection, in connection with the allocation or expenditure of  
4 moneys collected under subsections (1) and (2) of this section and paid to the  
5 nongovernmental entity.

6 “(6) An electric company that satisfies its obligations under this section  
7 has no further obligation to invest in energy conservation measures, market  
8 transformation measures or low-income weatherization, or to provide a com-  
9 mercial energy conservation services program, and is not subject to ORS  
10 469.631 to 469.645 and 469.860 to 469.900.

11 “(7) The commission shall adopt rules under which a retail electricity  
12 consumer that uses more than one average megawatt of electricity at a single  
13 site in the year immediately preceding the year in which moneys are col-  
14 lected under subsections (1) to (4) of this section shall receive a credit  
15 against amounts billed by an electric company, provided that the retail  
16 electricity consumer uses the credit to implement one or more energy con-  
17 servation measures at the site.

18 “(8)(a) In addition to the moneys collected under subsections (1) to (4) of  
19 this section, an electric company shall collect funds for low-income electric  
20 bill payment assistance in an amount determined under paragraph (b) of this  
21 subsection.

22 “(b) The commission shall establish the amount of moneys to be collected  
23 by each electric company in the calendar year 2008 from retail electricity  
24 consumers served by the company, and the rates to be charged to retail  
25 electricity consumers served by the company, so that the total anticipated  
26 collection for low-income electric bill payment assistance by all electric  
27 companies in the calendar year 2008 is \$15 million. In subsequent calendar  
28 years, the commission may not change the rates established for retail elec-  
29 tricity consumers, but the total amount of moneys collected in a calendar  
30 year for low-income electric bill payment assistance may vary based on

1 electricity usage by retail electricity consumers and changes in the number  
2 of retail electricity consumers in this state, provided that a retail electricity  
3 consumer is not required to pay more than \$500 per month per site for low-  
4 income electric bill payment assistance.

5 “(c) Moneys collected under this subsection shall be paid into the Hous-  
6 ing and Community Services Department Low-Income Electric Bill Payment  
7 Assistance Fund established in ORS 456.587 (2). Moneys deposited in the fund  
8 under this paragraph shall be used by the Housing and Community Services  
9 Department for the purpose of funding low-income electric bill payment as-  
10 sistance. The department shall pay the cost of administering this subsection  
11 out of moneys collected under this subsection. Moneys deposited in the fund  
12 under this paragraph may be expended solely for the purpose of low-income  
13 electric bill payment assistance. Moneys collected by an electric company  
14 shall be expended in the service territory of the electric company that col-  
15 lected the moneys.

16 “(d)(A) The Housing and Community Services Department shall determine  
17 the manner in which moneys collected under this subsection are allocated  
18 by the department to energy assistance program providers for the purpose  
19 of providing low-income electric bill payment assistance.

20 “(B) In consultation with electric companies, the department shall inves-  
21 tigate and may implement alternative delivery models to effectively reduce  
22 service disconnections and related costs to retail electricity consumers and  
23 electric companies.

24 “(C) Priority assistance shall be directed to low-income electricity con-  
25 sumers that are in danger of having their electricity service disconnected.

26 “(D) The department shall maintain records and provide those records  
27 upon request to an electric company and the Citizens’ Utility Board estab-  
28 lished under ORS chapter 774 on a quarterly basis. Records maintained must  
29 include the numbers of low-income electricity consumers served, the average  
30 amounts paid and the type of assistance provided. Electric companies shall,

1 if requested, provide the department with aggregate data relating to con-  
2 sumers served on a quarterly basis to support program development.

3 “(e) Interest on moneys deposited in the Housing and Community Services  
4 Department Low-Income Electric Bill Payment Assistance Fund established  
5 in ORS 456.587 (2) may be used to provide bill payment assistance to retail  
6 electricity consumers whose primary source of heat is not electricity.

7 “(f) Notwithstanding ORS 757.310, the commission may allow an electric  
8 company to provide reduced rates or other payment or crisis assistance or  
9 low-income program assistance to a low-income household eligible for as-  
10 sistance under the federal Low Income Home Energy Assistance Act of 1981,  
11 as amended and in effect on July 23, 1999.

12 “(9) For purposes of this section, ‘retail electricity consumers’ includes  
13 any direct service industrial consumer that purchases electricity without  
14 purchasing distribution services from an electric utility.

15

16 **“HOUSING AND COMMUNITY SERVICES DEPARTMENT**  
17 **ELECTRICITY FUND**

18

19 **“SECTION 3.** ORS 456.587 is amended to read:

20 “456.587. (1) The Housing and Community Services Department Electricity  
21 [*Public Purpose Charge*] Fund is established in the State Treasury, separate  
22 and distinct from the General Fund. Interest earned by the Housing and  
23 Community Services Department Electricity [*Public Purpose Charge*] Fund  
24 shall be credited to the fund. Moneys [*in the fund*] **deposited in the fund**  
25 **pursuant to ORS 757.612 (3)** are continuously appropriated to the Housing  
26 and Community Services Department to be used for purposes [*specified in*  
27 *ORS 757.612 (3)(b)(D)*] **related to providing low-income weatherization,**  
28 **as defined in ORS 757.600, and conducting audits, as required by ORS**  
29 **757.612 (3)(c). Moneys deposited in the fund pursuant to ORS 757.612 (4)**  
30 **are continuously appropriated to the department for the purpose of**

1 **providing grants as described in ORS 458.625 (2).**

2 “(2) The Housing and Community Services Department Low-Income Elec-  
3 tric Bill Payment Assistance Fund is established in the State Treasury, sep-  
4 arate and distinct from the General Fund. Interest earned by the Housing  
5 and Community Services Department Low-Income Electric Bill Payment As-  
6 sistance Fund shall be credited to the fund. Moneys in the fund are contin-  
7 uously appropriated to the [*Housing and Community Services*] department for  
8 purposes described in ORS 757.612 [(7)] (8).

9  
10 **“CONFORMING AMENDMENTS**

11  
12 **“SECTION 4.** ORS 297.300 is amended to read:

13 “297.300. The records related to any [*funds*] **moneys** collected [*through*  
14 *public purpose charges*] **under ORS 757.612 (1) and (2)** and paid to a non-  
15 governmental entity as described in ORS 757.612 (5) shall be subject to audit  
16 by the Secretary of State.

17 **“SECTION 5.** ORS 469A.200 is amended to read:

18 “469A.200. If an electric company or electricity service supplier that is  
19 subject to a renewable portfolio standard under ORS 469A.005 to 469A.210  
20 fails to comply with the standard in the manner provided by ORS 469A.005  
21 to 469A.210, the Public Utility Commission may impose a penalty against the  
22 company or supplier in an amount determined by the commission. A penalty  
23 under this section is in addition to any alternative compliance payment re-  
24 quired or elected under ORS 469A.180. **If the commission directs moneys**  
25 **collected under ORS 757.612 (1) and (2) to be paid to a nongovernmental**  
26 **entity under ORS 757.612 (5),** moneys paid for penalties under this section  
27 shall be transmitted by the commission to the nongovernmental entity [*re-*  
28 *ceiving moneys under ORS 757.612 (3)(d) and may be used only*] for the pur-  
29 poses specified in ORS 757.612 (1) **and (2).**

30 **“SECTION 6.** ORS 470.050 is amended to read:

1 “470.050. As used in this chapter, unless the context requires otherwise:

2 “(1) ‘Alternative fuel project’ means:

3 “(a) Equipment, including vehicles that are not used primarily for per-  
4 sonal, family or household purposes, that is modified or acquired directly  
5 from a factory and that:

6 “(A) Uses an alternative fuel including electricity, biofuel, gasohol with  
7 at least 20 percent denatured alcohol content, hydrogen, hythane, methane,  
8 methanol, natural gas, propane or any other fuel approved by the Director  
9 of the State Department of Energy; and

10 “(B) Produces lower exhaust emissions or is more energy efficient than  
11 equivalent equipment fueled by gasoline or diesel; and

12 “(b) A facility, including a fueling station, or equipment necessary to  
13 produce alternative fuel or operate equipment that uses an alternative fuel.

14 “(2) ‘Applicant’ means an applicant for a loan to construct a small scale  
15 local energy project.

16 “(3) ‘Base efficiency package’ means the package of energy efficiency up-  
17 grades or renewable energy projects for a property that, when energy  
18 savings, project repayment costs, tax or other incentives, loan offset grants  
19 and other relevant economic factors are considered, is estimated to not in-  
20 crease the utility bill of the customer over the loan repayment term.

21 “(4) ‘Committee’ means the Small Scale Local Energy Project Advisory  
22 Committee created under ORS 470.070.

23 “(5) ‘Cooperative’ means a cooperative corporation organized under ORS  
24 chapter 62.

25 “(6) ‘Director’ means the Director of the State Department of Energy ap-  
26 pointed under ORS 469.040.

27 “(7) ‘Eligible federal agency’ means a federal agency or public corporation  
28 created by the federal government that proposes to use a loan for a small  
29 scale local energy project. ‘Eligible federal agency’ does not include a federal  
30 agency or public corporation created by the federal government that proposes

1 to use a loan for a small scale local energy project to generate electricity  
2 for sale.

3 “(8) ‘Eligible state agency’ means a state officer, board, commission, de-  
4 partment, institution, branch or agency of the state whose costs are paid  
5 wholly or in part from funds held in the State Treasury.

6 “(9) ‘Energy efficiency and sustainable technology loan’ means a loan for  
7 a small scale local energy project that is repayable by means of:

8 “(a) A charge included with the participant’s utility customer account  
9 billing; or

10 “(b) An alternative repayment method identified by the department and  
11 the borrower and specified in the loan agreement.

12 “(10) ‘Energy Project Bond Loan Fund’ means the fund established under  
13 ORS 470.580.

14 “(11) ‘Energy Project Supplemental Fund’ means the fund established un-  
15 der ORS 470.570.

16 “(12) ‘Energy Revenue Bond Repayment Fund’ means the fund established  
17 under ORS 470.585.

18 “(13) ‘Energy savings projection’ means an examination of the energy  
19 performance and site characteristics of a property that, at a minimum, iden-  
20 tifies:

21 “(a) A base efficiency package; and

22 “(b) Any additional optional measures that a customer is able to repay  
23 and that the sustainable energy project manager believes to be feasible for  
24 the site.

25 “(14) ‘Jobs, Energy and Schools Fund’ means the fund established under  
26 ORS 470.575.

27 “(15) ‘Loan’ includes the purchase or other acquisition of evidence of  
28 indebtedness and money used for the purchase or other acquisition of evi-  
29 dence of indebtedness.

30 “(16) ‘Loan contract’ means the evidence of indebtedness and all instru-



1 ments used in the purchase or acquisition of the evidence of indebtedness.  
2 For eligible federal or state agencies or municipal corporations that are tax  
3 exempt entities, a loan contract may include a lease purchase agreement  
4 with respect to personal property.

5 “(17) ‘Loan offset grant’ means moneys from the Jobs, Energy and Schools  
6 Fund that are used to help offset the initial project costs or loan payments  
7 for energy efficiency, renewable energy and energy conservation projects.

8 “(18) ‘Loan repayment charge’ means an amount charged to a utility cus-  
9 tomer account through on-bill financing as a mechanism for the repayment  
10 of an energy efficiency and sustainable technology loan.

11 “(19) ‘Municipal corporation’ has the meaning given in ORS 297.405 and  
12 also includes any Indian tribe or authorized Indian tribal organization or any  
13 combination of two or more of these tribes or organizations acting jointly  
14 in connection with a small scale local energy project.

15 “(20) ‘On-bill financing’ means a mechanism for collecting the repayment  
16 of an energy efficiency and sustainable technology loan through a utility  
17 customer account billing system.

18 “(21) ‘Optional package’ means measures for promoting energy efficiency  
19 or the use of renewable energy:

20 “(a) That are in addition to the measures described in the customer’s base  
21 efficiency package;

22 “(b) For which a customer has the ability to repay; and

23 “(c) That the sustainable energy project manager believes to be feasible  
24 for the site.

25 “(22) ‘Oregon business’ means a sole proprietorship, partnership, company,  
26 cooperative, corporation or other form of business entity that is organized  
27 or authorized to do business under Oregon law for profit.

28 “(23) ‘Primary contractor’ means a contractor that:

29 “(a) Has entered into a contract with an owner of property for which a  
30 proposed small scale local energy project will be located;

1 “(b) Is responsible for the completion of the small scale local energy  
2 project;

3 “(c) Undertakes to complete the small scale local energy project; and

4 “(d) Is responsible for any subcontractors performing work on the small  
5 scale local energy project.

6 “(24) ‘Public [*Purpose*] Fund Administrator’ means the **nongovernmental**  
7 entity designated by the Public Utility Commission to [*administer moneys*  
8 *collected by a company through the public purpose charge described*] **receive**  
9 **moneys** under ORS 757.612 (5).

10 “(25) ‘Recycling project’ means a facility or equipment that converts  
11 waste into a new and usable product.

12 “(26) ‘Small business’ means:

13 “(a) An Oregon business that is:

14 “(A) A retail or service business employing 50 or fewer persons at the  
15 time the loan is made; or

16 “(B) An industrial or manufacturing business employing 200 or fewer  
17 persons at the time the loan is made; or

18 “(b) An Oregon subsidiary of a sole proprietorship, partnership, company,  
19 cooperative, corporation or other form of business entity for which the total  
20 number of employees for both the subsidiary and the parent sole  
21 proprietorship, partnership, company, cooperative, corporation or other form  
22 of business entity at the time the loan is made is:

23 “(A) Fifty or fewer persons if the subsidiary is a retail or service business;  
24 and

25 “(B) Two hundred or fewer if the subsidiary is an industrial or manufac-  
26 turing business.

27 “(27) ‘Small scale local energy program loan’ means a loan for a small  
28 scale local energy project other than an energy efficiency and sustainable  
29 technology loan.

30 “(28) ‘Small scale local energy project’ means any of the following:

1       “(a) A system, mechanism or series of mechanisms located primarily in  
2 Oregon that directly or indirectly uses or enables the use of, by the applicant  
3 or another person, renewable resources including, but not limited to, solar,  
4 wind, geothermal, biomass, waste heat or water resources to produce energy,  
5 including heat, electricity and substitute fuels, to meet a local community  
6 or regional energy need in this state.

7       “(b) A system, mechanism or series of mechanisms located primarily in  
8 Oregon or providing substantial benefits to Oregon that directly or indirectly  
9 conserves energy or enables the conservation of energy by the applicant or  
10 another person, including energy used in transportation.

11       “(c) A recycling project.

12       “(d) An alternative fuel project.

13       “(e) An improvement that increases the production or efficiency, or ex-  
14 tends the operating life, of a system, mechanism, series of mechanisms or  
15 project otherwise described in this subsection, including but not limited to  
16 restarting a dormant project.

17       “(f) A system, mechanism or series of mechanisms installed in a facility  
18 or portions of a facility that directly or indirectly reduces the amount of  
19 energy needed for the construction and operation of the facility and that  
20 meets the sustainable building practices standard established by the State  
21 Department of Energy by rule. For purposes of this paragraph, ‘system,  
22 mechanism or series of mechanisms’ includes related and integrated upgrades  
23 to attain compliance with standards set in the State of Oregon Structural  
24 Specialty Code and Fire and Life Safety Code, and seismic safety upgrades.

25       “(g) A project described in paragraphs (a) to (f) of this subsection,  
26 whether or not the existing project was originally financed under this chap-  
27 ter, together with any refinancing necessary to remove prior liens or  
28 encumbrances against the existing project.

29       “(h) A project described in paragraphs (a) to (g) of this subsection that  
30 conserves energy or produces energy by generation or by processing or col-

1 lection of a renewable resource.

2 “(29) ‘Small Scale Local Energy Project Administration and Bond Sinking  
3 Fund’ means the fund created under ORS 470.300.

4 “(30) ‘Small Scale Local Energy Project Loan Fund’ means the loan fund  
5 created by Article XI-J of the Oregon Constitution and appropriated to the  
6 State Department of Energy under ORS 470.130.

7 “(31) ‘Sustainable energy project manager’ means the organization re-  
8 sponsible for promoting the energy efficiency and sustainable technology  
9 loan program or the clean energy deployment program and related incentives  
10 for energy efficiency and renewable energy at the neighborhood and com-  
11 munity level.

12 “(32) ‘Utility service territory’ means the allocated territory in which a  
13 utility subject to this chapter provides a utility service. For the purposes of  
14 this subsection, ‘allocated territory’ and ‘utility service’ have the meanings  
15 given those terms in ORS 758.400.

16 **“SECTION 7.** ORS 470.515 is amended to read:

17 “470.515. The Public Utility Commission may adopt rules for carrying out  
18 the duties, functions and powers of the commission and the Public  
19 [Purpose] Fund Administrator under ORS 470.500 to 470.710.

20 **“SECTION 8.** ORS 470.530 is amended to read:

21 “470.530. (1) Except as provided in subsection (5) of this section, the Di-  
22 rector of the State Department of Energy may establish qualifications for  
23 sustainable energy project managers and may exercise oversight to ensure  
24 compliance with those qualifications. A sustainable energy project manager  
25 shall provide the promotion, technical and financial support and verifications  
26 necessary to administer an energy efficiency and sustainable technology  
27 loan.

28 “(2) A sustainable energy project manager may administer an energy ef-  
29 ficiency and sustainable technology loan only within a utility service terri-  
30 tory of an investor-owned or consumer-owned utility that provides electricity

1 or gas services.

2 “(3) A sustainable energy project manager shall serve the utility service  
3 territory for which the sustainable energy project manager has been selected  
4 by the director. The sustainable energy project manager shall provide loan  
5 program information and technical and financial information to promote en-  
6 ergy efficiency and use of renewable energy at the neighborhood and com-  
7 munity levels. The sustainable energy project manager shall be responsible  
8 for small scale local energy project verification and for monitoring program  
9 effectiveness for energy efficiency and sustainable technology loans and  
10 small scale local energy program loans. The sustainable energy project  
11 manager may administer the energy efficiency and sustainable technology  
12 loan program within the utility service territory.

13 “(4) A city, county, metropolitan service district or other local govern-  
14 ment entity, or a nonprofit, for-profit, tribal or state entity, may be a  
15 sustainable energy project manager if the entity meets the qualifications es-  
16 tablished by the director under this section and is approved by the director  
17 to provide promotion, outreach and customer support related to the energy  
18 efficiency and sustainable technology loan program within a utility service  
19 territory. The Public [*Purpose*] Fund Administrator is an ex officio  
20 sustainable energy project manager. The Public [*Purpose*] Fund Administra-  
21 tor shall act as the sustainable energy project manager in any utility service  
22 territory that is not served by another sustainable energy project manager.

23 “(5) The director shall establish a sustainable energy project manager  
24 certification program. However, the Public [*Purpose*] Fund Administrator or  
25 a consumer-owned utility is not required to obtain a sustainable energy  
26 project manager certificate and the Public [*Purpose*] Fund Administrator is  
27 not subject to any qualifications established by the director for a sustainable  
28 energy project manager.

29 **“SECTION 9.** ORS 470.550 is amended to read:

30 “470.550. (1) Unless the sustainable energy project manager is the Public

1 [Purpose] Fund Administrator or a consumer-owned utility, the certification  
2 of a sustainable energy project manager shall be for a five-year term. The  
3 Director of the State Department of Energy shall issue the sustainable en-  
4 ergy project manager a certification approval letter that states any condi-  
5 tions applicable to the certification.

6 “(2) The director may terminate the certification of a sustainable energy  
7 project manager for:

8 “(a) Failure to adequately implement an applicable plan for implementing  
9 the energy efficiency and sustainable technology loan program;

10 “(b) Noncompliance with the regulatory or statutory requirements of the  
11 energy efficiency and sustainable technology loan program;

12 “(c) Failure to meet any sustainable energy project manager criteria es-  
13 tablished by the director; or

14 “(d) Failure to perform other certification conditions.

15 **“SECTION 10.** ORS 470.555 is amended to read:

16 “470.555. (1) The Public [Purpose] Fund Administrator shall be the  
17 sustainable energy project manager for investor-owned electric utilities. The  
18 Public [Purpose] Fund Administrator shall inform the Public Utility Com-  
19 mission and the State Department of Energy of the activities of the admin-  
20 istrator by filing a yearly action plan and an end-of-year report with the  
21 commission and the department.

22 “(2) An investor-owned gas utility may act as a sustainable energy project  
23 manager for the utility service territory serviced by the utility or may con-  
24 tract with the Public [Purpose] Fund Administrator to act as the sustainable  
25 energy project manager on behalf of the utility.

26 “(3) A consumer-owned utility shall be the sustainable energy project  
27 manager for the utility service territory serviced by the utility if the utility  
28 agrees to promote energy efficiency and sustainable technology loans as part  
29 of an energy efficiency or renewable energy program offered by the utility.  
30 A consumer-owned utility may conduct energy efficiency and renewable en-

1 ergy programs within the utility service territory of the utility regardless  
2 of whether the utility service territory is served by an energy efficiency and  
3 sustainable technology loan program. A consumer-owned utility may decline  
4 to participate in the energy efficiency and sustainable technology loan pro-  
5 gram.

6 “(4) If a customer is served by both a gas utility and an electric utility  
7 that have energy efficiency and sustainable technology loan programs, the  
8 utility that supplies the customer’s primary source of heat for the property  
9 shall supply loan program services for that customer.

10 “(5) The existence of an energy efficiency and sustainable technology loan  
11 program, or the appointment of a sustainable energy project manager, in a  
12 utility service territory does not prevent a consumer-owned utility from  
13 conducting an energy efficiency or renewable energy program offered by the  
14 utility. If the consumer-owned utility declines to serve as a sustainable en-  
15 ergy project manager for the utility service territory, the utility may:

16 “(a) Continue with existing utility services and policies; or

17 “(b) Work with the Director of the State Department of Energy to solicit  
18 and select a qualified entity to serve as the sustainable energy project man-  
19 ager as described in ORS 470.535 and 470.540.

20 “(6) Subject to approval by the director, a sustainable energy project  
21 manager may contract with a qualified third party to assist the sustainable  
22 energy project manager in serving a utility service territory. If a utility  
23 service territory is served by a sustainable energy project manager, the ap-  
24 pointment of additional sustainable energy project managers may be made  
25 only by entering into a subcontract approved by the existing sustainable  
26 energy project manager. If the third party is acting as a financier, the third  
27 party is not required to comply with laws regulating utilities based on the  
28 actions of the third party as a financier. The sustainable energy project  
29 manager may enter into agreements with trade associations and other public  
30 and private entities for the promotion or marketing of the energy efficiency

1 and sustainable technology loan program.

2 “(7) The Public [*Purpose*] Fund Administrator and sustainable energy  
3 project managers shall cooperate with, and coordinate their outreach and  
4 promotional efforts with, local utilities and other stakeholders to promote  
5 energy efficiency and renewable energy and to use the customer contacts,  
6 resources and capacity of the utilities to engage and inform utility customers  
7 about the energy efficiency and sustainable technology loan program. The  
8 Public [*Purpose*] Fund Administrator and sustainable energy project manag-  
9 ers shall coordinate with gas utilities regarding any changes to a gas pipe-  
10 line and with electric utilities regarding electric charging or any changes to  
11 electrical connections that are external to a structure. The Public [*Purpose*]  
12 Fund Administrator and sustainable energy project managers shall coordi-  
13 nate with a gas utility regarding the installation of appliances used for space  
14 heating, water heating and compressed natural gas refueling.

15 **“SECTION 11.** ORS 470.560 is amended to read:

16 “470.560. (1) The State Department of Energy shall adopt rules establish-  
17 ing certification standards for primary contractors participating in the con-  
18 struction of small scale local energy projects financed through the energy  
19 efficiency and sustainable technology loan program. The department shall  
20 design the standards to ensure that the project work performed by a primary  
21 contractor holding the certification and all the primary contractor’s sub-  
22 contractors is of high quality and will result in a high degree of customer  
23 satisfaction.

24 “(2) The certification standards established by the department must, at a  
25 minimum, require that the primary contractor:

26 “(a) Prove that the primary contractor and the primary contractor’s sub-  
27 contractors have sufficient skill to successfully install energy efficiency,  
28 renewable energy or weatherization projects.

29 “(b) Not be a contractor listed by the Commissioner of the Bureau of  
30 Labor and Industries under ORS 279C.860 as ineligible to receive a contract



1 or subcontract for public works.

2 “(c) Be an equal opportunity employer or small business or be a disad-  
3 vantaged business enterprise, a minority-owned business, a woman-owned  
4 business, a business that a service-disabled veteran owns or an emerging  
5 small business, as those terms are defined in ORS 200.005.

6 “(d) Demonstrate a history of compliance with the rules and other re-  
7 quirements of the Construction Contractors Board and of the Workers’  
8 Compensation Division and the Occupational Safety and Health Division of  
9 the Department of Consumer and Business Services.

10 “(e) Employ at least 80 percent of employees used for energy efficiency  
11 and sustainable technology loan program projects from the local work force,  
12 if a sufficient supply of skilled workers is available locally.

13 “(f) Demonstrate a history of compliance with federal and state wage and  
14 hour laws.

15 “(g) Pay wages to employees used for energy efficiency and sustainable  
16 technology loan program projects at a rate equal to at least 180 percent of  
17 the state minimum wage.

18 “(3) The State Department of Energy shall consult with the Public [*Pur-*  
19 *pose*] Fund Administrator and utilities when developing certification stan-  
20 dards for primary contractors.

21 “(4) The Construction Contractors Board may issue a qualifying primary  
22 contractor a certification authorizing the primary contractor to participate  
23 in the construction of small scale local energy projects financed through the  
24 energy efficiency and sustainable technology loan program. A primary con-  
25 tractor seeking certification shall apply to the board as provided under ORS  
26 701.119.

27 “(5) The State Department of Energy shall identify certified primary  
28 contractors that provide employees with health insurance benefits as pre-  
29 ferred service providers and may take other actions as practicable to en-  
30 courage certified primary contractors to provide employees with health

1 insurance benefits.

2 **“SECTION 12.** ORS 470.510 is amended to read:

3 “470.510. (1) Except as provided in subsection (3) of this section, the State  
4 Department of Energy may enter into contracts for the issuance of energy  
5 efficiency and sustainable technology loans. Except as provided in ORS  
6 470.700, the department shall finance the loans using moneys from the Small  
7 Scale Local Energy Project Loan Fund, the Energy Project Supplemental  
8 Fund or the Energy Project Bond Loan Fund, or from a combination of those  
9 funds.

10 “(2) The sustainable energy project manager may enter into agreements  
11 with trade associations and other public and private entities for the pro-  
12 motion or marketing of the energy efficiency and sustainable technology loan  
13 program.

14 “(3) The department must obtain the consent of the utility before operat-  
15 ing an energy efficiency and sustainable technology loan program within the  
16 service territory of:

17 “(a) An investor-owned electric utility that serves fewer than 20,000 cus-  
18 tomers; or

19 “(b) An investor-owned gas utility that is actively administering an en-  
20 ergy conservation program established:

21 “(A) On or before January 1, 2009; and

22 “(B) Without assistance from a nongovernmental entity [*that receives*  
23 *public purpose charge*] **designated by the Public Utility Commission to**  
24 **receive** moneys under ORS 757.612 (5).

25 **“SECTION 13.** ORS 470.815 is amended to read:

26 “470.815. (1) School districts that participate in the clean energy deploy-  
27 ment program established in ORS 470.810 may finance projects to:

28 “(a) Weatherize, upgrade and retrofit kindergarten through grade 12 pub-  
29 lic schools;

30 “(b) Retrofit school bus fleets to operate on compressed natural gas or

1 other alternative fuels such as propane or to operate with high-efficiency  
2 types of engines such as hybrid electric engines; or

3 “(c) Replace school bus fleets with school buses that operate on com-  
4 pressed natural gas or other alternative fuels such as propane or that operate  
5 with high-efficiency types of engines such as hybrid electric engines.

6 “(2) The projects described in subsection (1) of this section shall be de-  
7 signed to improve energy efficiency, decrease fuel costs, increase use of al-  
8 ternative fuels and decrease emissions of air contaminants.

9 “(3) School districts may finance the projects described in subsection (1)  
10 of this section by:

11 “(a) Paying directly for the projects;

12 “(b) Receiving lower interest loans from the Clean Energy Deployment  
13 Fund or the Small Scale Local Energy Project Loan Fund, supported by:

14 “(A) Grant moneys from the Jobs, Energy and Schools Fund;

15 “(B) [*Public purpose charges directed*] **Moneys diverted** to a school dis-  
16 trict in areas served by investor-owned utilities [*under*] **pursuant to ORS**  
17 **757.612 (5)**;

18 “(C) Qualified Energy Conservation Bonds issued under the Energy Im-  
19 provement and Extension Act of 2008 or other federal loan programs; or

20 “(D) Revenues generated by the savings in energy costs resulting from the  
21 energy efficiency improvements;

22 “(c) Issuing general obligation bonds, subject to the bond election re-  
23 quirements under ORS 328.210; or

24 “(d) Using any other source of moneys.

25 “**SECTION 14.** ORS 757.365 is amended to read:

26 “757.365. (1) The Public Utility Commission shall establish a pilot pro-  
27 gram for each electric company to demonstrate the use and effectiveness of  
28 volumetric incentive rates and payments for electricity or for the nonenergy  
29 attributes of electricity, or both, from solar photovoltaic energy systems that  
30 are permanently installed in this state by retail electricity consumers and

1 that first become operational after the program begins. The cumulative  
2 nameplate capacity of the qualifying systems enrolled in all of the pilot  
3 programs may not exceed 27.5 megawatts of alternating current. Qualifying  
4 systems enrolled in the pilot program may not have nameplate generating  
5 capacity greater than 500 kilowatts.

6 “(2) The commission by rule shall adopt requirements for the pilot pro-  
7 grams described in subsection (1) of this section. Each electric company shall  
8 file for commission approval tariff schedules for the pilot programs that  
9 conform to the requirements.

10 “(3) The commission may establish incentive rates for the pilot programs  
11 to enable the development of the most efficient solar photovoltaic energy  
12 systems.

13 “(4) A retail electricity consumer participating in a pilot program may  
14 receive payments based on electricity generated from solar photovoltaic en-  
15 ergy system output for 15 years from the consumer’s date of enrollment in  
16 the program, at rates or through a rate formula in a tariff schedule estab-  
17 lished at the time of enrollment, or at rates otherwise established at the time  
18 of enrollment. The consumer thereafter may receive payments based upon  
19 electricity generated from the qualifying system at a rate equal to the re-  
20 source value.

21 “(5) The commission may adjust the tariff schedule as needed for new pi-  
22 lot program participants for the purpose of meeting the goal established in  
23 subsection (1) of this section. Once a retail electricity consumer is enrolled  
24 in a program, the rates or rate formula for determining payments to the  
25 consumer may not be modified.

26 “(6) The commission may adopt and adjust a percentage goal for capacity  
27 deployed by residential and small commercial qualifying systems based upon  
28 the costs of the energy generated, the feasibility of attaining the goal and  
29 other factors. For purposes of attaining the goal described in this subsection,  
30 the commission shall require 2.5 megawatts of alternating current from the

1 cumulative nameplate capacity of qualifying systems to be generated by in-  
2 dividual systems with a nameplate generating capacity between five and 100  
3 kilowatts.

4 “(7) The commission may establish total generator nameplate capacity  
5 limits for an electric company so that the rate impact of the pilot program  
6 for any customer class does not exceed 0.25 percent of the electric company’s  
7 revenue requirement for the class in any year.

8 “(8) Ownership of renewable energy certificates established under ORS  
9 469A.130 that are associated with renewable energy generation under the  
10 pilot programs must be transferred to the electric company and may be used  
11 to comply with the renewable portfolio standard described in ORS 469A.052  
12 or 469A.055.

13 “(9) To the extent that rates paid under a pilot program exceed the re-  
14 source value, qualifying systems participating in the pilot programs are not  
15 eligible for expenditures under ORS 757.612 [(3)(b)(B)] **(2)(a)(A)** or tax cred-  
16 its under ORS 469B.100 to 469B.118 or 469B.130 to 469B.169.

17 “(10) All prudently incurred costs associated with compliance with this  
18 section are recoverable in the rates of an electric company.

19 “(11) The commission shall advise and assist the owners and operators of  
20 qualifying systems in identifying and using grants, incentive moneys, federal  
21 funding and other sources of noninvestment financial support for the con-  
22 struction and operation of qualifying systems.

23 “(12) The pilot programs described in subsection (1) of this section close  
24 to new participants on the earlier of:

25 “(a) March 31, 2016; or

26 “(b) The date the cumulative nameplate capacity of solar photovoltaic  
27 energy systems that have been permanently installed by retail electricity  
28 consumers under the pilot programs equals 27.5 megawatts of alternating  
29 current.

30 “(13) The commission shall submit a report to the Legislative Assembly

1 by January 1 of each odd-numbered year. The report must evaluate the ef-  
2 fectiveness of the pilot programs described in subsection (1) of this section  
3 compared to the effectiveness of expenditures under ORS 757.612 [(3)(b)(B)]  
4 **(2)(a)(A)** or tax credits under ORS 469B.100 to 469B.118 or 469B.130 to  
5 469B.169 for promoting the use of solar photovoltaic energy systems and re-  
6 ducing system costs. The report must also estimate the cost of the program  
7 to retail electricity consumers and the resource value of solar energy.

8 **“SECTION 15.** ORS 757.613 is amended to read:

9 *“757.613. (1) [If an electric company or Oregon Community Power invests*  
10 *moneys collected as a public purpose charge under ORS 757.612 on new cost-*  
11 *effective local energy conservation, or if the nongovernmental entity described*  
12 *in ORS 757.612 (3)(g) invests moneys paid to the nongovernmental entity under*  
13 *ORS 757.612 (3)(d) on new cost-effective local energy conservation, and if the*  
14 *investment involves] **If moneys collected under ORS 757.612 (1) are spent***  
15 **on** updating the energy efficiency of a residential or nonresidential building,  
16 *[the electric company, Oregon Community Power or the nongovernmental entity*  
17 *may make those investments by conducting] **the moneys may be used to***  
18 **conduct** a whole building assessment of the energy efficiency of the building  
19 and, in consideration of the whole building assessment, *[by maximizing]* **to**  
20 **maximize** the overall energy efficiency of the building. For purposes of this  
21 subsection, a ‘whole building assessment’ means a single assessment of  
22 savings opportunities, as identified by the Public Utility Commission by rule  
23 or order.

24 *“(2) An [investment] **expenditure** described in subsection (1) of this sec-*  
25 *tion must be limited to an [investment] **expenditure** in a single project, as*  
26 *authorized by the commission by rule or order.*

27 **“SECTION 16.** ORS 757.617 is amended to read:

28 *“757.617. [(1)(a)] (1) The Public Utility Commission and the State De-*  
29 *partment of Energy jointly shall select an independent nongovernmental en-*  
30 *tity to prepare a biennial report [to] **for** the Legislative Assembly describing*

1 *[program spending and results for public purpose requirements undertaken*  
2 *pursuant to ORS 757.612. The first report shall be due on January 1, 2003.]*  
3 **the expenditure of moneys collected under ORS 757.612 (1) to (4). The**  
4 **independent nongovernmental entity shall submit the biennial report**  
5 **to the Legislative Assembly on or before January 1 of each odd-**  
6 **numbered year.**

7 *“(b) The commission and the department jointly shall select an independ-*  
8 *ent nongovernmental entity to prepare a report to the Legislative Assembly*  
9 *describing proposed modifications to public purpose requirements undertaken*  
10 *pursuant to ORS 757.612. The report shall be due on January 1, 2007.]*

11 *“(c) The commission and the department jointly shall select an independent*  
12 *nongovernmental entity to prepare a report to the Legislative Assembly recom-*  
13 *mending whether the public purpose funding requirements under ORS 757.612*  
14 *should be renewed. The report shall be due on January 1, 2011.]*

15 **“(2) The Housing and Community Services Department shall prepare a**  
16 **biennial report [to] for the Legislative Assembly describing [program spend-**  
17 **ing and needs] the expenditure of moneys received by the department**  
18 **under ORS 757.612 (8) and the need for low-income electric bill payment**  
19 **assistance. [The first report shall be due on January 1, 2003.] The depart-**  
20 **ment shall submit the biennial report to the Legislative Assembly on**  
21 **or before January 1 of each odd-numbered year.**

22 **“SECTION 17.** ORS 757.659 is amended to read:

23 *“757.659. According to the applicable provisions of ORS 756.060 and ORS*  
24 *chapter 183, the Public Utility Commission shall adopt such rules as are*  
25 *necessary to implement ORS 757.600 to 757.667. Rules adopted by the com-*  
26 *mission shall address at least the following:*

27 *“(1) Requirements and methodologies for each electric company to provide*  
28 *unbundled rates and services pursuant to ORS 757.642.*

29 *“(2) Requirements for each electric company allowing aggregation of*  
30 *electricity loads pursuant to ORS 757.627, which may include aggregation of*

1 demand for other services available under direct access.

2 “(3) Requirements for consumer protection. Consumer protection rules  
3 adopted by the commission that relate to electricity service suppliers shall  
4 be applicable throughout this state and shall, at a minimum, contain pro-  
5 visions for the disclosure of price, power source and environmental impact  
6 in contract offers and marketing information.

7 “(4) Market valuation methodologies for determining the amount and re-  
8 covery of the costs of uneconomic utility investment and the amount of and  
9 credit for economic utility investment.

10 “(5) Requirements for each electric company to offer a portfolio of rate  
11 options under ORS 757.603.

12 “(6) The method of determining a default supplier for those consumers  
13 who are not eligible to participate in a portfolio program under ORS 757.603  
14 in a manner that provides for viable competition among electricity service  
15 suppliers and among power generation companies. The commission may con-  
16 dition the use of a default service option by requiring reasonable notice and  
17 commitment from a consumer who intends to use the default service option  
18 in nonemergency situations.

19 “(7) Requirements for market structure described in ORS 757.646.

20 “[8] *Requirements for public purpose charges and credits under ORS*  
21 *757.612.*]

22 “[9] (8) Requirements for meters, metering services, billing and col-  
23 lection services, and customer response functions.

24 “**SECTION 18.** ORS 757.689 is amended to read:

25 “757.689. (1) In addition to [*the public purpose charge established by ORS*  
26 *757.612,*] **moneys collected under ORS 757.612,** the Public Utility Commis-  
27 sion may authorize an electric company to include in its rates the costs of  
28 funding or implementing cost-effective energy conservation measures [*imple-*  
29 *mented on or after June 6, 2007*] **that meet the requirements of subsection**  
30 **(2) of this section.** The costs may include amounts for weatherization pro-



1 grams [*that*] **intended to** conserve energy.

2 “(2) The commission shall ensure that a retail electricity consumer with  
3 a load greater than one average megawatt:

4 “(a) Is not required to pay an amount that is more than [*three percent of*  
5 *the consumer’s total cost of electricity service for the public purpose charge*  
6 *under ORS 757.612 and*] any amounts included in rates [*under this section*]  
7 **pursuant to ORS 757.612**; and

8 “(b) Does not receive any direct benefit from energy conservation meas-  
9 ures if the costs of the measures are included in rates under this section.

10 **“SECTION 19.** ORS 757.872 is amended to read:

11 “757.872. (1) Any equity of the incumbent utility, any electric utility as-  
12 sets of the incumbent utility or any combination of equity and assets of the  
13 incumbent utility that Oregon Community Power acquires under ORS 757.812  
14 to 757.950 shall be held in trust by Oregon Community Power, acting as a  
15 trustee, for the exclusive purpose of carrying out the powers, rights and  
16 privileges of Oregon Community Power under ORS 757.812 to 757.950 for the  
17 benefit of the retail electricity consumers of Oregon Community Power.  
18 Notwithstanding any other provision of law, retail electricity consumers of  
19 Oregon Community Power may not pursue any judicial remedy in any court  
20 of this state for any action of Oregon Community Power, except as provided  
21 in ORS 757.812 to 757.950.

22 “(2) The State of Oregon declares that it has no proprietary interest in  
23 Oregon Community Power or in any tangible or intangible property of any  
24 form owned or acquired by Oregon Community Power. The state disclaims  
25 any right to reclaim any contributions made to Oregon Community Power  
26 under ORS 757.812 to 757.950.

27 “(3) Except as provided in ORS 757.812 to 757.950, Oregon Community  
28 Power may not receive any moneys from the State of Oregon other than:

29 “(a) Electric utility operational revenues;

30 “[*(b) Public purpose charge revenues under ORS 757.612;*]

1       “[(c)] (b) Nonrecourse bond proceeds or proceeds from any other  
2 nonrecourse borrowing; or

3       “[(d)] (c) Loans, grants, payments or other assistance that any local gov-  
4 ernment as defined in ORS 174.116 would be eligible to receive.

5       “**SECTION 20.** Section 3, chapter 566, Oregon Laws 2011, as amended by  
6 section 1, chapter 254, Oregon Laws 2013, is amended to read:

7       “**Sec. 3.** Notwithstanding the \$15 million limitation described in ORS  
8 757.612 [(7)(b)] (8)(b), the Public Utility Commission shall direct electric  
9 companies [*or Oregon Community Power*] to collect a combined total of an  
10 additional \$5 million per 12-month period from residential electricity con-  
11 sumers for the low-income electric bill payment assistance provided for in  
12 ORS 757.612 [(7)(a)] (8)(a) if the Housing and Community Services Depart-  
13 ment requests an increase.

14

15

#### “MISCELLANEOUS

16

17

#### “(Applicability)

18

19       “**SECTION 21.** The amendments to ORS 757.612 by section 1 of this  
20 2016 Act do not affect:

21       “(1) The requirements for the expenditure of moneys collected by  
22 electric companies under ORS 757.612 as operative immediately before  
23 the operative date specified in section 22 of this 2016 Act;

24       “(2) The use of any bonds issued to a school district involving  
25 moneys collected under ORS 757.612 as operative immediately before  
26 the operative date specified in section 22 of this 2016 Act; or

27       “(3) The terms of any contract entered into by a school district in-  
28 volving moneys collected under ORS 757.612 as operative immediately  
29 before the operative date specified in section 22 of this 2016 Act.

30

1 “(Operative Dates)

2  
3 **“SECTION 22. (1) The amendments to ORS 297.300, 456.587, 469A.200,**  
4 **470.050, 470.510, 470.515, 470.530, 470.550, 470.555, 470.560, 470.815, 757.365,**  
5 **757.612, 757.613, 757.617, 757.659, 757.689 and 757.872 and section 3, chap-**  
6 **ter 566, Oregon Laws 2011, by sections 1 and 3 to 20 of this 2016 Act**  
7 **become operative on January 1, 2017.**

8 **“(2) The Public Utility Commission may take any action before the**  
9 **operative date specified in subsection (1) of this section that is neces-**  
10 **sary to enable the commission to exercise, on and after the operative**  
11 **date specified in subsection (1) of this section, all the duties, powers**  
12 **and functions conferred on the commission by the amendments to**  
13 **ORS 297.300, 456.587, 469A.200, 470.050, 470.510, 470.515, 470.530, 470.550,**  
14 **470.555, 470.560, 470.815, 757.365, 757.612, 757.613, 757.617, 757.659, 757.689**  
15 **and 757.872 and section 3, chapter 566, Oregon Laws 2011, by sections**  
16 **1 and 3 to 20 of this 2016 Act.**

17 **“SECTION 23. The amendments to ORS 757.612 by section 2 of this**  
18 **2016 Act become operative on January 1, 2023.**

19  
20 “(Unit Captions)

21  
22 **“SECTION 24. The unit captions used in this 2016 Act are provided**  
23 **only for the convenience of the reader and do not become part of the**  
24 **statutory law of this state or express any legislative intent in the**  
25 **enactment of this 2016 Act.**

26  
27 “(Emergency Clause)

28  
29 **“SECTION 25. This 2016 Act being necessary for the immediate**  
30 **preservation of the public peace, health and safety, an emergency is**

1 **declared to exist, and this 2016 Act takes effect on its passage.”.**

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