

D R A F T

SUMMARY

Provides that certain amount of moneys collected from retail electricity consumers as public purpose charge may be used for transportation electrification.

A BILL FOR AN ACT

1
2 Relating to transportation electrification; creating new provisions; and
3 amending ORS 757.600, 757.612 and 757.676.

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

5 **SECTION 1.** ORS 757.612 is amended to read:

6 757.612. (1) There is established an annual public purpose expenditure
7 standard for electric companies and Oregon Community Power to fund new
8 cost-effective local energy conservation, new market transformation efforts,
9 **transportation electrification efforts**, the above-market costs of new
10 renewable energy resources and new low-income weatherization. The public
11 purpose expenditure standard shall be funded by the public purpose charge
12 described in subsection (2) of this section.

13 (2)(a) Beginning on the date an electric company or Oregon Community
14 Power offers direct access to *[its]* retail electricity consumers, except resi-
15 dential electricity consumers, the electric company or Oregon Community
16 Power shall collect a public purpose charge from all of the retail electricity
17 consumers located within *[its]* **the electric company's or Oregon Com-**
18 **munity Power's** service area until January 1, 2026. Except as provided in
19 paragraph (b) of this subsection, the public purpose charge shall be equal to
20 three percent of the total revenues collected by the electric company, Oregon

1 Community Power or the electricity service supplier from *[its]* retail elec-
2 tricity consumers for electricity services, distribution **services**, ancillary
3 services, metering and billing, transition charges and other types of costs
4 included in electric rates on July 23, 1999.

5 (b) For an aluminum plant that averages more than 100 average mega-
6 watts of electricity use per year, *[beginning on March 1, 2002,]* the electric
7 company or Oregon Community Power *[whose]*, **whichever serves** territory
8 **that** abuts the greatest percentage of the site of the aluminum plant, shall
9 collect from the aluminum company a public purpose charge equal to one
10 percent of the total revenue from the sale of electricity *[services]* to the
11 aluminum plant *[from any source]*.

12 (3)(a) The Public Utility Commission shall establish rules implementing
13 the provisions of this section relating to electric companies and Oregon
14 Community Power.

15 (b) *[Subject to paragraph (e)]* **Except as provided in paragraph (e)** of
16 this subsection, funds collected *[by an electric company or Oregon Community*
17 *Power]* through public purpose charges **under subsection (2) of this sec-**
18 **tion** shall be allocated as follows:

19 (A) Sixty-three percent for new cost-effective **local energy** conservation,
20 new market transformation **efforts and transportation electrification ef-**
21 **forts**.

22 (B) Nineteen percent for the above-market costs of constructing and op-
23 erating new renewable energy resources with a nominal electric generating
24 capacity, as defined in ORS 469.300, of 20 megawatts or less.

25 (C) Thirteen percent for new low-income weatherization.

26 (D) Five percent *[shall be transferred to]* **for deposit in** the Housing and
27 Community Services Department Electricity Public Purpose Charge Fund
28 established by ORS 456.587 (1) *[and used]* for the purpose of providing grants
29 as described in ORS 458.625 (2).

30 (c) The costs of administering subsections (1) to (6) of this section for an
31 electric company or Oregon Community Power shall be paid out of the funds

1 collected through public purpose charges. The commission may require
2 [that] an electric company or Oregon Community Power **to** direct funds col-
3 lected through public purpose charges to [the] state agencies responsible for
4 implementing subsections (1) to (6) of this section in order to pay the costs
5 of [administering such responsibilities] **implementation.**

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

18 (A) **If an electric company collected the funds,** at least 80 percent of
19 the funds allocated [for conservation] **under paragraph (b)(A) of this sub-**
20 **section** shall be spent within the service area of the electric company [that
21 collected the funds]; or

22 (B) If Oregon Community Power collected the funds, at least 80 percent
23 of the funds allocated [for conservation] **under paragraph (b)(A) of this**
24 **subsection** shall be spent within the service area of Oregon Community
25 Power.

26 (e)(A) The first 10 percent of [the] funds collected [annually] **each year**
27 by an electric company or Oregon Community Power under subsection (2)
28 of this section shall be distributed to school districts that are located in the
29 service territory of the electric company or Oregon Community Power. The
30 funds shall be distributed to individual school districts according to the
31 weighted average daily membership (ADMw) of each school district for the

1 prior fiscal year as calculated under ORS 327.013. The commission shall es-
2 tablish by rule a methodology for distributing a proportionate share of funds
3 under this paragraph to school districts that are only partially located in the
4 service territory of the electric company or Oregon Community Power.

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

17 (i) Conducting **additional** energy audits. A school district shall conduct
18 an energy audit prior to expending funds on any other purpose authorized
19 under this paragraph unless the school district has performed an energy au-
20 dit within the three years immediately prior to receiving the funds.

21 (ii) [*Weatherization*] **Weatherizing school district facilities** and up-
22 grading the energy efficiency of school district facilities.

23 (iii) Energy conservation education programs.

24 (iv) Purchasing electricity from [*environmentally focused*] sources **that**
25 **protect the environment.** [*and*]

26 (v) Investing in renewable energy resources.

27 (f) The commission may not establish a different public purpose charge
28 than the public purpose charge described in subsection (2) of this section.

29 (g) If the commission [*directs*] **requires** funds collected through public
30 purpose charges to **be paid to** a nongovernmental entity, the entity shall,
31 **pursuant to an agreement entered into or renewed between the com-**

1 **mission and the entity:**

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

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

10 (C) Require the entity's officers and directors to declare actual and po-
11 tential conflicts of interest at regular meetings of the entity's governing body
12 when such conflicts arise, and require an officer or director to abstain from
13 participating in any discussion or *[vote]* **voting** on any item where that of-
14 ficer or director has an actual conflict of interest. For the purposes of this
15 subparagraph, "actual conflict of interest" and "potential conflict of
16 interest" have the meanings given those terms in ORS 244.020.

17 (D) **Annually**, arrange for an independent auditor to audit the entity's
18 financial statements *[annually]*, and direct the auditor to file an audit opin-
19 ion with the commission for public review.

20 (E) **Annually** file with the commission *[annually]* the entity's budget,
21 action plan and quarterly and annual reports for public review.

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

26 (h) The commission may remove from the board of directors of a nongov-
27 ernmental entity an officer or director who fails to provide an annual dis-
28 closure of economic interest, or **who fails to declare an** actual or potential
29 conflict of interest, as described in paragraph (g)(B) and (C) of this sub-
30 section, *[in connection with]* **if the failure is connected to** the allocation
31 or expenditure of funds collected through public purpose charges and *[di-*

1 *rected*] **paid** to the entity.

2 (4)(a) An electric company that satisfies its obligations under this section
3 [*shall have*]:

4 (A) **Has** no further obligation to invest in **new cost-effective local en-**
5 **ergy** conservation, new market transformation, **transportation**
6 **electrification** or new low-income weatherization, or to provide a commer-
7 cial energy conservation services program; and

8 (B) Is not subject to ORS 469.631 to 469.645 and 469.860 to 469.900.

9 (b) Oregon Community Power, for any period during which Oregon Com-
10 munity Power collects a public purpose charge under subsection (2) of this
11 section:

12 (A) [*Shall have*] **Has** no [*other*] **further** obligation to invest in **new**
13 **cost-effective local energy** conservation, new market transformation,
14 **transportation electrification** or new low-income weatherization, or to
15 provide a commercial energy conservation services program; and

16 (B) Is not subject to ORS 469.631 to 469.645 and 469.860 to 469.900.

17 (5)(a) A retail electricity consumer that uses more than one average
18 megawatt of electricity at any site in the prior year shall receive a credit
19 against public purpose charges billed by an electric company or Oregon
20 Community Power for that site. The amount of the credit shall be equal to
21 the total amount of qualifying expenditures for [*new energy conservation*]
22 **purposes specified in subsection (3)(b)(A) of this section**, not to exceed
23 68 percent of the annual public purpose charges, and the above-market costs
24 [*of purchases*] of new renewable energy resources incurred by the retail
25 electricity consumer, not to exceed 19 percent of the annual public purpose
26 charges, less administration costs incurred under **this paragraph and par-**
27 **agraphs (b) and (c) of this subsection**. The credit may not exceed, on an
28 annual basis, the lesser of:

29 (A) The amount of the retail electricity consumer's qualifying expendi-
30 tures; or

31 (B) The portion of the public purpose charge billed to the retail electricity

1 consumer that is dedicated to new **cost-effective local** energy conservation,
2 new market transformation, **transportation electrification** or the above-
3 market costs of new renewable energy resources.

4 (b) To obtain a credit under **paragraph (a)** of this subsection, a retail
5 electricity consumer shall file with the State Department of Energy a de-
6 scription of the proposed conservation project or new renewable energy re-
7 source and a declaration that the retail electricity consumer plans to incur
8 the qualifying expenditure. The State Department of Energy shall issue a
9 notice of precertification within 30 days of receipt of the filing, if such filing
10 is consistent with **paragraph (a)** of this subsection. The credit may be taken
11 after a retail electricity consumer provides a letter from a certified public
12 accountant to the State Department of Energy verifying that the precertified
13 qualifying expenditure has been made.

14 (c) Credits earned by a retail electricity consumer as a result of qualify-
15 ing expenditures that are not used in one year may be carried forward for
16 use in subsequent years.

17 (d)(A) A retail electricity consumer that uses more than one average
18 megawatt of electricity at any site in the prior year may request that the
19 State Department of Energy hire an independent auditor to assess the po-
20 tential for conservation investments at the site. If the independent auditor
21 determines there is no available conservation measure at the site that would
22 have a simple payback of one to 10 years, the retail electricity consumer
23 shall be relieved of 54 percent of its payment obligation for public purpose
24 charges related to the site. If the independent auditor determines that there
25 are potential conservation measures available at the site, the retail elec-
26 tricity consumer shall be entitled to a credit against public purpose charges
27 related to the site equal to 54 percent of the public purpose charges less the
28 estimated cost of available conservation measures.

29 (B) A retail electricity consumer shall be entitled each year to the credit
30 described in this [subsection] **paragraph** unless a subsequent independent
31 audit determines that new conservation investment opportunities are avail-

1 able. The State Department of Energy may require that a new independent
2 audit be performed on the site to determine whether new conservation
3 measures are available, provided that the independent audits [*shall*] occur
4 no more than once every two years.

5 (C) The retail electricity consumer shall pay the cost of the independent
6 audits described in this [*subsection*] **paragraph**.

7 (6) Electric utilities and retail electricity consumers shall receive a fair
8 and reasonable credit for the public purpose expenditures of their energy
9 suppliers. The State Department of Energy shall adopt rules to determine
10 eligible expenditures and the [*methodology*] **method** by which such credits
11 are accounted for and used. The [*rules*] **State Department of Energy** also
12 shall adopt methods to account for eligible public purpose expenditures made
13 through consortia or collaborative projects.

14 (7)(a) In addition to the public purpose charge provided under subsection
15 (2) of this section, an electric company or Oregon Community Power shall
16 collect funds for low-income electric bill payment assistance in an amount
17 determined under paragraph (b) of this subsection.

18 (b) The commission shall establish the amount to be collected by each
19 electric company in calendar year 2008 from retail electricity consumers
20 served by the company, and the rates to be charged to retail electricity
21 consumers served by the company, so that the total anticipated collection for
22 low-income electric bill payment assistance by all electric companies in cal-
23 endar year 2008 is \$15 million. In calendar year 2009 and subsequent calendar
24 years, the commission may not change the rates established for retail elec-
25 tricity consumers, but the total amount collected in a calendar year for
26 low-income electric bill payment assistance may vary based on electricity
27 usage by retail electricity consumers and changes in the number of retail
28 electricity consumers in this state. In no event shall a retail electricity
29 consumer be required to pay more than \$500 per month per site for low-
30 income electric bill payment assistance.

31 (c) Funds collected [*by*] **through** the low-income electric bill payment

1 assistance charge shall be paid into the Housing and Community Services
2 Department Low-Income Electric Bill Payment Assistance Fund established
3 by ORS 456.587 (2). Moneys deposited in the fund under this paragraph shall
4 be used by the Housing and Community Services Department **solely** for [*the*
5 *purpose of funding*] **purposes related to** low-income electric bill payment
6 assistance[.] **and for** the **Housing and Community Services** Department's
7 cost of administering this subsection. [*shall be paid out of funds collected by*
8 *the low-income electric bill payment assistance charge. Moneys deposited in the*
9 *fund under this paragraph shall be expended solely for low-income electric bill*
10 *payment assistance.*] Funds collected [*from*] **by** an electric company or Oregon
11 Community Power **under this subsection** shall be expended in the service
12 area of the electric company or Oregon Community Power from which the
13 funds are collected.

14 (d)(A) The Housing and Community Services Department shall determine
15 the manner in which funds collected under this subsection will be allocated
16 by the **Housing and Community Services** Department to energy assistance
17 program providers for the purpose of providing low-income bill payment [*and*
18 *crisis*] assistance.

19 (B) The **Housing and Community Services** Department, **in consulta-**
20 **tion with electric companies**, shall investigate and may implement alter-
21 native delivery models [*in consultation with electric companies*] to effectively
22 reduce service disconnections and related costs to retail electricity consum-
23 ers and electric utilities.

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

26 (D) The **Housing and Community Services** Department shall maintain
27 records and provide those records upon request to an electric company,
28 Oregon Community Power and the Citizens' Utility Board established under
29 ORS chapter 774 on a quarterly basis. Records maintained must include the
30 numbers of low-income electricity consumers served, the average amounts
31 paid **to low-income electricity consumers** and the type of assistance pro-

1 vided **to low-income electricity consumers**. Electric companies and
 2 Oregon Community Power shall, if requested, provide the **Housing and**
 3 **Community Services** Department with aggregate data relating to **low-**
 4 **income electricity** consumers served on a quarterly basis to support pro-
 5 gram development.

6 (e) Interest on moneys deposited in the Housing and Community Services
 7 Department Low-Income Electric Bill Payment Assistance Fund established
 8 by ORS 456.587 (2) may be used to provide bill payment [*and crisis*] assist-
 9 ance to electricity consumers whose primary source of heat is not electricity.

10 (f) Notwithstanding ORS 757.310, the commission may allow an electric
 11 company or Oregon Community Power to provide reduced rates or other **bill**
 12 payment [*or crisis*] assistance or low-income program assistance to a low-
 13 income household eligible for assistance under the federal Low Income Home
 14 Energy Assistance Act of 1981, as amended and in effect on July 23, 1999.

15 (8) For purposes of this section, “retail electricity consumers” includes
 16 any direct service industrial consumer that purchases electricity without
 17 purchasing distribution services from the electric utility.

18 (9) For purposes of this section, [*amounts*] **funds** collected by Oregon
 19 Community Power through public purpose charges are not considered moneys
 20 received from electric utility operations.

21 **SECTION 2.** ORS 757.600 is amended to read:

22 757.600. As used in ORS 757.600 to 757.689, unless the context requires
 23 otherwise:

24 (1) “Aggregate” means combining retail electricity consumers into a buy-
 25 ing group for the purchase of electricity and related services.

26 (2) “Ancillary services” means services necessary or incidental to the
 27 transmission and delivery of electricity from generating facilities to retail
 28 electricity consumers, including but not limited to scheduling, load shaping,
 29 reactive power, voltage control and energy balancing services.

30 (3) “Commission” means the Public Utility Commission.

31 (4) “Consumer-owned utility” means a municipal electric utility, a

1 people's utility district or an electric cooperative.

2 (5) "Default supplier" means an electricity service supplier or electric
3 company that has a legal obligation to provide electricity services to a con-
4 sumer, as determined by the commission.

5 (6) "Direct access" means the ability of a retail electricity consumer to
6 purchase electricity and certain ancillary services, as determined by the
7 commission for an electric company or the governing body of a consumer-
8 owned utility, directly from an entity other than the distribution utility.

9 (7) "Direct service industrial consumer" means an end user of electricity
10 that obtains electricity directly from the transmission grid and not through
11 a distribution utility.

12 (8) "Distribution" means the delivery of electricity to retail electricity
13 consumers through a distribution system consisting of local area power
14 poles, transformers, conductors, meters, substations and other equipment.

15 (9) "Distribution utility" means an electric utility that owns and operates
16 a distribution system connecting the transmission grid to the retail elec-
17 tricity consumer.

18 (10) "Economic utility investment" means all electric company invest-
19 ments, including plants and equipment and contractual or other legal obli-
20 gations, properly dedicated to generation or conservation, that were prudent
21 at the time the obligations were assumed but the full benefits of which are
22 no longer available to consumers as a direct result of ORS 757.600 to 757.667,
23 absent transition credits. "Economic utility investment" does not include
24 costs or expenses disallowed by the commission in a prudence review or
25 other proceeding, to the extent of such disallowance, and does not include
26 fines or penalties authorized and imposed under state or federal law.

27 (11) "Electric company" means an entity engaged in the business of dis-
28 tributing electricity to retail electricity consumers in this state, but does not
29 include a consumer-owned utility.

30 (12) "Electric cooperative" means an electric cooperative corporation or-
31 ganized under ORS chapter 62 or under the laws of another state if the ser-

1 vice territory of the electric cooperative includes a portion of this state.

2 (13) “Electric utility” means an electric company or consumer-owned
3 utility that is engaged in the business of distributing electricity to retail
4 electricity consumers in this state.

5 (14) “Electricity” means electric energy, measured in kilowatt-hours, or
6 electric capacity, measured in kilowatts, or both.

7 (15) “Electricity services” means electricity distribution, transmission,
8 generation or generation-related services.

9 (16) “Electricity service supplier” means a person or entity that offers to
10 sell electricity services available pursuant to direct access to more than one
11 retail electricity consumer. “Electricity service supplier” does not include
12 an electric utility selling electricity to retail electricity consumers in its own
13 service territory.

14 (17) “Governing body” means the board of directors or the commissioners
15 of an electric cooperative or people’s utility district, or the council or board
16 of a city with respect to a municipal electric utility.

17 (18) “Load” means the amount of electricity delivered to or required by
18 a retail electricity consumer at a specific point of delivery.

19 (19) “Low-income weatherization” means repairs, weatherization and in-
20 stallation of energy efficient appliances and fixtures for low-income resi-
21 dences for the purpose of enhancing energy efficiency.

22 (20) “Municipal electric utility” means an electric distribution utility
23 owned and operated by or on behalf of a city.

24 (21) “New renewable energy resource” means a renewable energy resource
25 project, or a new addition to an existing renewable energy resource project,
26 or the electricity produced by the project, that is not in operation on July
27 23, 1999. “New renewable energy resource” does not include any portion of
28 a renewable energy resource project under contract to the Bonneville Power
29 Administration on or before July 23, 1999.

30 (22) “One average megawatt” means 8,760,000 kilowatt-hours of electricity
31 per year.

1 (23) “People’s utility district” has the meaning given that term in ORS
2 261.010.

3 (24) “Portfolio access” means the ability of a retail electricity consumer
4 to choose from a set of product and pricing options for electricity determined
5 by the governing board of a consumer-owned utility and may include product
6 and pricing options offered by the utility or by an electricity service sup-
7 plier.

8 (25) “Power generation company” means a company engaged in the pro-
9 duction and sale of electricity to wholesale customers, including but not
10 limited to independent power producers, affiliated generation companies,
11 municipal and state authorities, provided the company is not regulated by
12 the commission.

13 (26) “Qualifying expenditures” means those expenditures for energy con-
14 servation measures that have a simple payback period of not less than one
15 year and not more than 10 years, and expenditures for the above-market costs
16 of new renewable energy resources, provided that the State Department of
17 Energy by rule may establish a limit on the maximum above-market cost for
18 renewable energy that is allowed as a credit.

19 (27) “Renewable energy resources” means:

20 (a) Electricity generation facilities fueled by wind, waste, solar or
21 geothermal power or by low-emission nontoxic biomass based on solid or-
22 ganic fuels from wood, forest and field residues.

23 (b) Dedicated energy crops available on a renewable basis.

24 (c) Landfill gas and digester gas.

25 (d) Hydroelectric facilities located outside protected areas as defined by
26 federal law in effect on July 23, 1999.

27 (28) “Residential electricity consumer” means an electricity consumer who
28 resides at a dwelling primarily used for residential purposes. “Residential
29 electricity consumer” does not include retail electricity consumers in a
30 dwelling typically used for residency periods of less than 30 days, including
31 hotels, motels, camps, lodges and clubs. As used in this subsection,

1 “dwelling” includes but is not limited to single family dwellings, separately
2 metered apartments, adult foster homes, manufactured dwellings, recre-
3 ational vehicles and floating homes.

4 (29) “Retail electricity consumer” means the end user of electricity for
5 specific purposes such as heating, lighting or operating equipment, and in-
6 cludes all end users of electricity served through the distribution system of
7 an electric utility on or after July 23, 1999, whether or not each end user
8 purchases the electricity from the electric utility.

9 (30) “Site” means a single contiguous area of land containing buildings
10 or other structures that are separated by not more than 1,000 feet, or
11 buildings and related structures that are interconnected by facilities owned
12 by a single retail electricity consumer and that are served through a single
13 electric meter.

14 (31) “Transition charge” means a charge or fee that recovers all or a
15 portion of an uneconomic utility investment.

16 (32) “Transition credit” means a credit that returns to consumers all or
17 a portion of the benefits from an economic utility investment.

18 (33) “Transmission facility” means the plant and equipment used to
19 transmit electricity in interstate commerce.

20 **(34) “Transportation electrification” means:**

21 **(a) The use of electricity from external sources to provide power to**
22 **all or part of a vehicle;**

23 **(b) Programs related to developing the use of electricity for the**
24 **purpose described in paragraph (a) of this subsection; and**

25 **(c) Infrastructure investments related to developing the use of**
26 **electricity for the purpose described in paragraph (a) of this sub-**
27 **section.**

28 [(34)] (35) “Undue market power” means the unfair or improper exercise
29 of influence to increase or decrease the availability or price of a service or
30 product in a manner inconsistent with competitive markets.

31 [(35)] (36) “Uneconomic utility investment” means all electric company

1 investments, including plants and equipment and contractual or other legal
2 obligations, properly dedicated to generation, conservation and workforce
3 commitments, that were prudent at the time the obligations were assumed
4 but the full costs of which are no longer recoverable as a direct result of
5 ORS 757.600 to 757.667, absent transition charges. “Uneconomic utility in-
6 vestment” does not include costs or expenses disallowed by the commission
7 in a prudence review or other proceeding, to the extent of such disallowance,
8 and does not include fines or penalties as authorized by state or federal law.

9 **SECTION 3.** ORS 757.676 is amended to read:

10 757.676. The governing body of a consumer-owned utility is authorized to
11 determine whether and under what terms and conditions it will offer its re-
12 tail electricity consumers direct access, portfolio access or other forms of
13 access to electric service suppliers. In making such determination, the gov-
14 erning body of a consumer-owned utility shall consider such factors as it
15 deems appropriate. A consumer-owned utility shall have sole authority to
16 determine:

17 (1) The quality and nature of electric service, including but not limited
18 to different product and pricing options, which shall be made available to its
19 retail electricity consumers.

20 (2) The extent to which products and services will be unbundled and the
21 rates, tariffs, terms and conditions on which they may be offered.

22 (3) Whether one or more pilot programs for direct access, portfolio access
23 or other forms of access to alternative suppliers will be offered.

24 (4) Notwithstanding ORS 757.600 (10) and [(35),] **(36)**, what constitutes an
25 economic or uneconomic utility investment, the value of such investments
26 and, in the case of uneconomic utility investments, the manner and means
27 of mitigating such investments.

28 (5) Whether and on what basis a transition charge will be adopted, as-
29 sessed and collected from a retail electricity consumer located within the
30 utility’s service territory, including but not limited to a nonbypassable dis-
31 tribution charge, the amount and period of recovery for the charges, the al-

1 location of the charges among retail electricity consumers located within the
2 utility's service territory and the method of collecting such charges including
3 but not limited to whether to impose a nonbypassable distribution charge.

4 (6) The manner of collecting stranded distribution charges, systems bene-
5 fit charges, franchise fees, taxes and payments made in lieu of taxes from
6 retail electricity consumers located within the utility's service territory for
7 electric power transactions using transmission facilities, whether or not such
8 transactions use distribution facilities. The governing body may assign
9 charges on the basis of usage, demand or any combination or method it finds
10 appropriate. Charges need not be assigned to specific facilities.

11 (7) The collection from retail electricity consumers located within the
12 utility's service territory through rates, fees or charges, including the impo-
13 sition of a nonbypassable distribution charge, in amounts sufficient to re-
14 cover 100 percent of stranded costs imposed by, or incurred pursuant to the
15 purchase of cost-based electric power from, the Bonneville Power Adminis-
16 tration. Such stranded cost charges may include the difference in cost asso-
17 ciated with purchasing electric power from the Bonneville Power
18 Administration and the cost of purchasing a like and similar amount of
19 electric power at market prices.

20 (8) The establishment of technical capability requirements, financial re-
21 sponsibility requirements and other protections for retail electricity con-
22 sumers located within the utility's service territory and the consumer-owned
23 utility in dealings with electric service suppliers.

24 (9) Access to or use of the utility's transmission facilities or distribution
25 system by retail electricity consumers or electric service suppliers.

26 (10) The utility's qualification standards for energy service suppliers in
27 addition to any certification standards established by the Public Utility
28 Commission, provided that the qualification standards are uniformly applied
29 to electricity service providers in a nondiscriminatory manner.

30 **SECTION 4. The amendments to ORS 757.612 by section 1 of this**
31 **2017 Act apply to public purpose charge moneys allocated on or after**

1 **the effective date of this 2017 Act.**

2 _____