

SB 657 STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

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Meeting Dates: 4/3

WHAT THE MEASURE DOES:

Reduces the public purpose charge from three percent of total revenues collected to two percent of retail electricity consumers. Specifies that the Public Utility Commission may not require any amount in excess of \$250 million that is collected through public purpose charges to be paid to a nongovernmental entity in any given year.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Senate Bill 1149 (2001) directed the state's two largest electric utilities, Portland General Electric and PacifiCorp, to assess a three-percent "public purpose charge" on consumer energy bills to provide funding for energy conservation, renewable resource development and low-income energy programs. Revenues generated from the public purpose are allocated to five activities: energy conservation in homes and businesses (56 percent); construction of new renewable resource power plants and other renewable resource projects (17 percent); weatherization of low-income households (12 percent); energy conservation in schools (10 percent); and rehabilitation and construction of low-income housing (five percent). The first two uses listed above are overseen by the Energy Trust of Oregon.