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April 3, 2017

To: House Energy and Environment Committee

From: Michael Kaplan, Director

Subject: HB 2764 – Energy Supplier Assessment Exemption

Introduction

HB 2764 changes the annual exemption amount of the calculated payment of the energy supplier assessment from \$250 to \$2500.

Background

The Oregon Department of Energy annually assesses energy resource suppliers a legislatively approved amount to fund the programs and activities of the Energy Facility Siting Council and the department. The amount assessed for each supplier of energy is based on the ratio which that supplier's gross operating revenue, derived within the state in the preceding calendar year, bears to the total gross operating revenue derived within the state during that year by all energy resource suppliers. Under current law, any resource supplier whose calculated share of the annual assessment is less than \$250 is exempt from payment.

Bill Summary

HB 2764 will increase the exemption amount for the annual energy resource supplier assessment from \$250 to \$2500. The bill will not impact the amount of the assessment revenue received by the Department of Energy.

Using the 2016 assessment as an example, raising the exemption amount from \$250 to \$2500 would have exempted an additional 9 suppliers and would have increased payments made by all other suppliers with an assessment over \$2500 by 0.18 percent.

Under HB 2764 and using 2016 assessment, an energy supplier would need to earn at least \$2.16 million in gross operating revenue to pay \$2500. The list below shows those businesses that would be exempt under the bill.

Energy Supplier	Type	GOR	Assessment
Portland Bureau of Environmental Services	Other	\$269,095	\$311
Columbia Rural Electric Association Inc.	Consumer Owned	\$543,425	\$629
Port of Tillamook Bay	Other	\$640,166	\$741
Hicksgas, LLC - The Dalles (Formerly Pacer Portland Propane, LLC)	Propane	\$716,963	\$830
Drain, City of	Consumer Owned	\$1,337,304	\$1,548
Shell Energy No. America (US) L.P (Formerly Coral Power, LLC.)	Other	\$1,401,551	\$1,622
Cascade Locks, City of	Consumer Owned	\$1,580,734	\$1,829
Valley Wide Cooperative, Inc.	Consumer Owned	\$1,828,557	\$2,116
Powell-Christensen, Inc., dba R.E. Powell Distributing	Other	\$1,938,836	\$2,244