

House Bill 2471

Sponsored by Representative BENTZ; Representative BOONE (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Extends period of time by which electric utility that acquires service territory of other electric utility without other electric utility's consent must comply with renewable portfolio standard that applies in that service territory.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to acquisition of service territory of electric utility; amending ORS 469A.055; and declaring
3 an emergency.

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

5 **SECTION 1.** ORS 469A.055, as amended by section 8, chapter 28, Oregon Laws 2016, is amended
6 to read:

7 469A.055. (1) Except as provided in this section, an electric utility that makes sales of electricity
8 to retail electricity consumers in an amount that equals less than three percent of all electricity
9 sold to retail electricity consumers is not subject to ORS 469A.005 to 469A.210.

10 (2) Beginning in calendar year 2025, at least five percent of the electricity sold to retail elec-
11 tricity consumers in a calendar year by an electric utility must be qualifying electricity if the elec-
12 tric utility makes sales of electricity to retail electricity consumers in an amount that equals less
13 than one and one-half percent of all electricity sold to retail electricity consumers.

14 (3) Beginning in calendar year 2025, at least 10 percent of the electricity sold to retail elec-
15 tricity consumers in a calendar year by an electric utility must be qualifying electricity if the elec-
16 tric utility makes sales of electricity to retail electricity consumers in an amount that equals or is
17 more than one and one-half percent, and less than three percent, of all electricity sold to retail
18 electricity consumers.

19 (4) The exemption provided by subsection (1) of this section terminates if an electric utility, or
20 a joint operating entity that includes the electric utility as a member, acquires electricity from an
21 electricity generating facility that uses coal as an energy source or makes an investment on or after
22 June 6, 2007, in an electricity generating facility that uses coal as an energy source. Beginning in
23 the calendar year following the year in which an electric utility's exemption terminates under this
24 subsection, the electric utility is subject to the renewable portfolio standard described in ORS
25 469A.052 (3) and the provisions of ORS 469A.005 to 469A.210 that apply to ORS 469A.052 (3). This
26 subsection does not apply to:

27 (a) A wholesale market purchase by an electric utility for which the energy source for the
28 electricity is not known;

29 (b) BPA electricity;

30 (c) Acquisition of electricity under a contract entered into before June 6, 2007;

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (d) A renewal or replacement contract for a contract for purchase of electricity described in
 2 paragraph (c) of this subsection;

3 (e) A purchase of electricity if the electricity is included in a contract for the purchase of
 4 qualifying electricity and is necessary to shape, firm or integrate the qualifying electricity;

5 (f) Electricity provided to an electric utility under a contract for the acquisition of an interest
 6 in an electricity generating facility that was entered into by the electric utility before June 6, 2007,
 7 or entered into before June 6, 2007, by an electric cooperative organized under ORS chapter 62 of
 8 which the electric utility is a member, without regard to whether the electricity is being used to
 9 serve the load of the electric utility on June 6, 2007; or

10 (g) Investments in an electricity generating facility that uses coal as an energy source if the
 11 investments are for the purpose of improving the facility's pollution mitigation equipment or the
 12 facility's efficiency or are necessary to comply with requirements or standards imposed by govern-
 13 mental entities.

14 (5) The exemption provided by subsection (1) of this section terminates for a consumer-owned
 15 utility if the consumer-owned utility acquires service territory of an electric utility without the
 16 consent of the electric utility. Except as provided in subsection (6) of this section, beginning in the
 17 calendar year following the year in which a consumer-owned utility's exemption terminates under
 18 this subsection, the consumer-owned utility is subject to the renewable portfolio standard described
 19 in ORS 469A.052 (3) and the provisions of ORS 469A.005 to 469A.210 that apply to ORS 469A.052 (3).

20 (6) If an electric utility acquires service territory of another electric utility without the consent
 21 of the electric utility from which service territory was acquired, then beginning in the **tenth** cal-
 22 endar year following the acquisition, the percentage of the acquiring electric utility's electricity sold
 23 to all retail electricity consumers of the acquiring electric utility that is sold to retail electricity
 24 consumers that are located in the acquired service territory is subject to the renewable portfolio
 25 standard that is applicable to the electric utility from which service territory was acquired and the
 26 provisions of ORS 469A.005 to 469A.210 that apply to the renewable portfolio standard.

27 (7) The provisions of this section do not authorize the acquisition by a municipal electric utility
 28 of service territory of a people's utility district organized under ORS chapter 261.

29 (8) The provisions of this section do not affect the requirement that electric utilities offer a
 30 green power rate under ORS 469A.205.

31 **SECTION 2. This 2017 Act being necessary for the immediate preservation of the public**
 32 **peace, health and safety, an emergency is declared to exist, and this 2017 Act takes effect**
 33 **on its passage.**