

Requested by SENATE COMMITTEE ON BUSINESS AND TRANSPORTATION

**PROPOSED AMENDMENTS TO
SENATE BILL 978**

1 On page 1 of the printed bill, line 2, after “utilities;” delete the rest of
2 the line and insert “and”.

3 Delete lines 5 through 27 and delete pages 2 through 8 and insert:

4 **“SECTION 1. (1) As used in this section:**

5 **“(a) ‘Distribution utility,’ ‘electric company’ and ‘retail electricity**
6 **consumer’ have the meanings given those terms in ORS 757.600.**

7 **“(b) ‘Public utility’ has the meaning given that term in ORS 757.005.**

8 **“(2) On or after August 1, 2017, but not later than September 15,**
9 **2018, the Public Utility Commission shall investigate:**

10 **“(a) The regulatory incentives created by the regulatory compact**
11 **available to electric companies as public utilities;**

12 **“(b) The economic incentives created by the business model avail-**
13 **able to electric companies as public utilities;**

14 **“(c) The degree to which the incentives described in paragraphs (a)**
15 **and (b) of this subsection create a preference for electric generation**
16 **resources owned by electric companies over electric generation re-**
17 **sources not owned by electric companies;**

18 **“(d) Possible ways to protect retail electricity consumers against**
19 **wholesale and retail market abuses, anticompetitive practices and the**
20 **regulatory and economic incentives that create a preference for elec-**
21 **tric generation resources owned by electric companies over electric**

1 **generation resources not owned by electric companies;**

2 **“(e) Possible ways to ensure the diverse ownership of electric gen-**
3 **eration resources;**

4 **“(f) Whether electric companies should be prohibited from including**
5 **in rates the cost of major new electric generation resources, unless the**
6 **electric generation resource is necessary for reliability or an unusual**
7 **below-market opportunity;**

8 **“(g) Possible ways to eliminate the vertical and horizontal market**
9 **power of electric companies;**

10 **“(h) Possible ways to amend ORS 757.600 to 757.689, to amend rules**
11 **adopted under ORS 757.600 to 757.689 or to revise the state’s policies in**
12 **a manner that provides a commercial or industrial retail electricity**
13 **consumer a meaningful ability to purchase electricity and ancillary**
14 **services directly from an entity other than the commercial or indus-**
15 **trial retail electricity consumer’s distribution utility;**

16 **“(i) The roles that distributed generation, transportation**
17 **electrification and energy storage have to play as part of the regula-**
18 **tory compact available to electric companies as public utilities and**
19 **with respect to the business model available to electric companies as**
20 **public utilities; and**

21 **“(j) Whether the mission of the commission should be amended to**
22 **require the commission to:**

23 **“(A) Ensure diverse ownership of electric generation resources;**

24 **“(B) Consider in administrative decision making and to institute**
25 **policies and practices that will promote:**

26 **“(i) Environmental protection;**

27 **“(ii) The state’s energy policies; and**

28 **“(iii) The development of a diverse array of sustainable energy re-**
29 **sources using the public and private sectors to the greatest extent**
30 **practicable;**

1 “(C) Institute policies and practices that will contribute to increas-
2 ing the marketability of electric energy produced by electric gener-
3 ation resources not owned by electric companies; and

4 “(D) Institute policies and practices that will contribute to creating
5 a settled and uniform climate for electric generation resources not
6 owned by electric companies.

7 “(3) In making the investigation under subsection (2) of this sec-
8 tion, the commission shall invite comments from:

9 “(a) The State Department of Energy;

10 “(b) Electric companies;

11 “(c) Retail electricity consumers and their representatives;

12 “(d) Companies that generate electricity and their representatives;

13 “(e) Energy service suppliers and their representatives;

14 “(f) Environmental and public interest organizations;

15 “(g) Energy efficiency and conservation organizations, including the
16 Energy Trust of Oregon;

17 “(h) Transportation electrification companies and their represen-
18 tatives;

19 “(i) Energy storage companies and their representatives;

20 “(j) The Bonneville Environmental Foundation; and

21 “(k) Other energy industry related companies and organizations,
22 and their representatives.

23 “(4) Not later than September 15, 2018, the commission shall report
24 the findings of the investigation conducted under this section to the
25 interim committees of the Legislative Assembly related to business
26 and energy. As part of the report, the commission may make recom-
27 mendations for legislation. The commission shall submit the report in
28 the manner required by ORS 192.245.

29 “SECTION 2. This 2017 Act takes effect on the 91st day after the
30 date on which the 2017 regular session of the Seventy-ninth Legislative

1 **Assembly adjourns sine die.”.**

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