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SUMMARY

Modifies general powers of Public Utility Commission.

Requires electric companies to account for external cost of greenhouse gas emissions in integrated resource plans submitted to commission.

Authorizes commission to require electricity service suppliers to take actions to reduce greenhouse gas emissions consistent with state goals and make certain public disclosures.

A BILL FOR AN ACT

1
2 Relating to Public Utility Commission; creating new provisions; and amend-
3 ing ORS 756.040, 756.062 and 756.534.

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

5 **SECTION 1.** ORS 756.040 is amended to read:

6 756.040. (1) In addition to the powers and duties now or hereafter trans-
7 ferred to or vested in the Public Utility Commission, the commission shall
8 represent the customers of any public utility or telecommunications utility
9 and the public generally in all controversies respecting rates, valuations,
10 service and all matters of which the commission has jurisdiction. In respect
11 thereof the commission shall make use of the jurisdiction and powers of the
12 office to protect such customers, and the public generally, from unjust and
13 unreasonable exactions and practices and to obtain for them adequate service
14 at fair and reasonable rates. The commission shall balance the interests of
15 the utility investor and the consumer in establishing fair and reasonable
16 rates. Rates are fair and reasonable for the purposes of this subsection if the
17 rates provide adequate revenue both for operating expenses of the public
18 utility or telecommunications utility and for capital costs of the utility, with

1 a return to the equity holder that is:

2 (a) Commensurate with the return on investments in other enterprises
3 having corresponding risks; and

4 (b) Sufficient to ensure confidence in the financial integrity of the utility,
5 allowing the utility to maintain its credit and attract capital.

6 **(2) In addition to the duties and powers described in subsection (1)**
7 **of this section, the commission shall serve the public interest when**
8 **deciding or deliberating toward a decision by:**

9 **(a) Developing and implementing policies and rules that encourage**
10 **the enhancement of the environment, greenhouse gas emissions re-**
11 **ductions, the fulfillment of the state's energy and climate policies and**
12 **the health of the state's economy; and**

13 **(b) Considering the external cost of greenhouse gas emissions in all**
14 **controversies respecting rates, valuations, service and all matters of**
15 **which the commission has jurisdiction.**

16 [(2)] (3) The commission is vested with power and jurisdiction to super-
17 vise and regulate every public utility and telecommunications utility in this
18 state, and to do all things necessary and convenient in the exercise of such
19 power and jurisdiction.

20 [(3)] (4) The commission may participate in any proceeding before any
21 public officer, commission or body of the United States or any state for the
22 purpose of representing the public generally and the customers of the ser-
23 vices of any public utility or telecommunications utility operating or pro-
24 viding service to or within this state.

25 [(4)] (5) The commission may make joint investigations, hold joint
26 hearings within or without this state and issue concurrent orders in con-
27 junction or concurrence with any official, board, commission or agency of
28 any state or of the United States.

29 **SECTION 2. Sections 3 and 4 of this 2020 Act are added to and made**
30 **a part of ORS chapter 757.**

31 **SECTION 3. The Public Utility commission shall require an electric**

1 **company, as defined in ORS 757.600, to account for the external cost**
2 **of greenhouse gas emissions in any plan submitted to the commission**
3 **that proposes an integrated, least-cost combination of resources that**
4 **meets the expected needs of the electric company’s customers. For**
5 **purposes of this section, the State Department of Energy shall estab-**
6 **lish the external cost of greenhouse gas emissions by rule, taking into**
7 **account any information on the social cost of carbon as determined**
8 **by the United States Environmental Protection Agency.**

9 **SECTION 4. (1) As used in this section, the term “electricity service**
10 **supplier” has the meaning given that term in ORS 757.600.**

11 **(2) The Public Utility Commission may by rule require electricity**
12 **service suppliers to:**

13 **(a) Reduce greenhouse gas emissions consistent with this state’s**
14 **greenhouse gas reduction goals set forth in ORS 468A.205 through re-**
15 **quirements that may include, but need not be limited to, requirements**
16 **for electricity service suppliers to take actions consistent with actions**
17 **required of electric companies under ORS 757.518; or**

18 **(b) Submit to the commission public disclosures necessary for the**
19 **commission to enforce rules adopted under this section.**

20 **SECTION 5. ORS 756.062 is amended to read:**

21 756.062. (1) A substantial compliance with the requirements of the laws
22 administered by the Public Utility Commission is sufficient to give effect to
23 all the rules, orders, acts and regulations of the commission and they shall
24 not be declared inoperative, illegal or void for any omission of a technical
25 nature in respect thereto.

26 (2) The provisions of such laws shall be liberally construed in a manner
27 consistent with the directives of ORS 756.040 (1) **and (2)** to promote the
28 public welfare, efficient facilities and substantial justice between customers
29 and public and telecommunications utilities.

30 **SECTION 6. ORS 756.534 is amended to read:**

31 756.534. Except as provided in ORS 756.040 [(4)] **(5)**, the hearing may be

1 held at any place designated by the Public Utility Commission within this
2 state, or different parts of the hearing may be held at different places in this
3 state, as shall be designated by the commission. The hearing may be contin-
4 ued from time to time and place to place as ordered and fixed by the com-
5 mission.

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