House Bill 4171
Sponsored by COMMITTEE ON RULES (at the request of Representative Tina Kotek)

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.

Modifies statewide greenhouse gas emissions reduction goals.
Directs Environmental Quality Commission to adopt by rule standards and requirements to ensure compliance with modified statewide greenhouse gas emissions goals. Directs Department of Environmental Quality to implement and enforce rules.
Refers Act to people for their approval or rejection at next regular general election held throughout this state.

A BILL FOR AN ACT
Relating to greenhouse gas emissions; creating new provisions; amending ORS 184.617, 184.621, 283.398, 283.401, 468A.205, 468A.235, 468A.240, 468A.250, 468A.260 and 757.357; and providing that this Act shall be referred to the people for their approval or rejection.

Whereas climate change and ocean acidification caused by greenhouse gas emissions are having significant detrimental effects on public health and the economic vitality, natural resources and environment of this state, and scientists predict that the impacts of climate change will worsen if action is not taken to curb greenhouse gas emissions; and
Whereas Oregon’s people and communities, as a result of climate change, are suffering from worsening wildfire and smoke, which endanger health and destroy property; and
Whereas our state’s salmon, crabs, shellfish and other seafood sources are diminishing, harming fishing families and local economies; and
Whereas drinking water is threatened by toxic algae blooms; and
Whereas drought is impacting farmers’ and ranchers’ ability to provide our food; and
Whereas flooding from sea level rise imperils coastal businesses and homes; and
Whereas critical infrastructure, supply chains and communities are exposed to extreme weather damage; and
Whereas worsening air quality exacerbates breathing problems like asthma, especially for children and elders; and
Whereas workers suffer through heat waves, risking their health; and
Whereas the negative impacts of climate change on our forests and rivers will hobble Oregon’s tourism and natural resources industries; and
Whereas the world’s leading scientists say we have only a decade to significantly reduce greenhouse gas emissions before locking in irreversible harm; and
Whereas the climate crisis is a state and national emergency; and
Whereas voluntary action is no longer sufficient, and Oregon must do its share to reduce greenhouse gas emissions; and
Whereas engagement by the United States federal government is emerging too slowly to address the scope, magnitude and urgency of climate change and ocean acidification; and

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.

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Whereas Oregon can join together with other jurisdictions similarly resolved to exercise a leadership role encouraging more states, the federal government and the international community to act to reduce greenhouse gas emissions on a trajectory in accordance with the best available science by a transition to clean, renewable energy and low-carbon practices; and

Whereas solutions to the climate crisis, both near-term and long-term, will create economic and job opportunities for our state in the fields of greenhouse gas mitigation, carbon sequestration and necessary adaptation; and

Whereas a transition to clean energy and climate adaptation will demand a wide variety of workers’ skill sets throughout Oregon, inspire innovative technologies and strategies, position our economy to be more competitive in a low-carbon world and provide other public health and economic benefits, such as future energy cost savings; and

Whereas taking action on climate change can create economic opportunities for rural Oregonians, by utilizing this state’s forests and other natural and working lands, which are among the most productive carbon sinks globally, by providing many other important ecological, social and economic benefits, adding to the state’s renewable energy base and by enhancing the resiliency of critical infrastructure such as irrigation systems; and

Whereas climate policies, rules and programs must be designed to protect climate-impacted communities, such as Indian tribes, rural communities, workers, low-income households and people of color, and to provide climate-impacted communities with opportunities for job creation and training, with investments in infrastructure, economic development, air quality improvements, energy savings and conservation, healthy forests and other natural and working lands, and with increased utilization of clean energy technologies; and

Whereas climate policies, rules and programs must facilitate a just economic transition to a clean energy future by protecting the existing workforce and creating new pathways to employment through workforce development in clean energy, energy efficiency, adaptation and carbon sequestration sectors; and

Whereas climate policies, rules and programs must respect the rights and ability of Indian tribes to exercise their stewardship and sovereign authority over their sovereign trust lands and resources, such that the state must make reasonable efforts to cooperate with Indian tribes in the development and implementation of programs that affect Indian tribes; now, therefore,

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

GREENHOUSE GAS EMISSIONS REDUCTION REQUIREMENTS

SECTION 1. ORS 468A.205 is amended to read:

468A.205. (1) The Legislative Assembly declares that it is the policy of this state to reduce greenhouse gas emissions in Oregon [pursuant to the following greenhouse gas emissions reduction goals] to 90 percent below 1990 emissions levels by 2050, with an incremental greenhouse gas emissions limit of at least 50 percent below 1990 emissions levels by 2035.

(2) In furtherance of the policy set forth in subsection (1) of this section:

(a) Greenhouse gas emissions in Oregon from fossil fuel and industrial sources shall be reduced:

(A) To at least 50 percent below 1990 emissions levels by 2035; and

(B) To at least 90 percent below 1990 emissions levels by 2050; and

(b) This state shall achieve net zero greenhouse gas emissions by 2050.
(a) By 2010, arrest the growth of Oregon's greenhouse gas emissions and begin to reduce greenhouse gas emissions.

(b) By 2020, achieve greenhouse gas levels that are 10 percent below 1990 levels.

(c) By 2050, achieve greenhouse gas levels that are at least 75 percent below 1990 levels.

(2) The Legislative Assembly declares that it is the policy of this state for state and local governments, businesses, nonprofit organizations and individual residents to prepare for the effects of [global warming] climate change and by doing so, prevent and reduce the social, economic and environmental effects of [global warming] climate change.

(3) This section does not create any additional regulatory authority for an agency of the executive department as defined in ORS 174.112.

(4) The Environmental Quality Commission shall adopt rules to ensure compliance with the greenhouse gas emissions limits described in subsections (1) and (2) of this section.

(5) Except as limited by the United States Constitution or Oregon Constitution, the rulemaking authority described in subsection (4) of this section includes the authority to:

(a) Enact programs, policies or market-based mechanisms necessary or beneficial to achieve the greenhouse gas emissions limits described in subsections (1) and (2) of this section;

(b) Regulate greenhouse gas emissions and sources of greenhouse gas emissions produced, imported, sold, dispensed, allocated or distributed for use in Oregon, including, but not limited to, electricity, transportation fuels and natural gas; and

(c) Charge and collect fees, levy fines and take other actions necessary to ensure compliance with the greenhouse gas emissions limits described in subsections (1) and (2) of this section.

(6) The rules adopted by the commission under subsection (4) of this section must seek to safeguard, to the maximum extent possible, the interests of communities disproportionately impacted by air pollution or climate change, taking into consideration geographic, socioeconomic, historic disadvantage, public health and environmental criteria. Communities disproportionately impacted by air pollution or climate change may include, but are not limited to, urban, suburban, rural, coastal or tribal communities and areas with above-average concentrations of low-income households, historically disadvantaged households, high unemployment, high rent burden, sensitive populations or residents with low levels of educational attainment.

(7) The Department of Environmental Quality shall implement and enforce rules adopted by the commission under subsection (4) of this section.

SECTION 2. The Environmental Quality Commission shall begin rulemaking to adopt the rules required under section 1 (4) of this 2020 Act not later than February 1, 2021.

CONFORMING AMENDMENTS

SECTION 3. ORS 184.617 is amended to read:

184.617. (1) The Oregon Transportation Commission shall:

(a) Establish the policies for the operation of the Department of Transportation in a manner consistent with the policies and purposes of ORS 184.610 to 184.665.

(b) Develop and maintain state transportation policies, including but not limited to policies related to the management, construction and maintenance of highways and other transportation sys-
tems in Oregon, including but not limited to aviation, ports and rail.

(c) Develop and maintain a comprehensive, 20-year long-range plan for a safe, multimodal transportation system for the state which encompasses economic efficiency, orderly economic development and environmental quality. The comprehensive, long-range plan:

(A) Must include, but not be limited to, aviation, highways, mass transit, ports, rails and waterways; and

(B) Must be used by all agencies and officers to guide and coordinate transportation activities and to ensure transportation planning utilizes the potential of all existing and developing modes of transportation.

(d) In coordination with the State Marine Board, the Oregon Business Development Department, the State Aviation Board, cities, counties, mass transit districts organized under ORS 267.010 to 267.394 and transportation districts organized under ORS 267.510 to 267.650, develop plans for each mode of transportation and multimodal plans for the movement of people and freight. Subject to paragraph (c) of this subsection, the plans must include a list of projects needed to maintain and develop the transportation infrastructure of this state for at least 20 years in the future.

(e) For the plans developed under paragraph (d) of this subsection, include a list of projects for at least 20 years into the future that are capable of being accomplished using the resources reasonably expected to be available. As the plans are developed by the commission, the Director of Transportation shall prepare and submit implementation programs to the commission for approval. Work approved by the commission to carry out the plans shall be assigned to the appropriate unit of the Department of Transportation or other appropriate public body, as defined in ORS 174.109.

(f) Initiate studies, as it deems necessary, to guide the director concerning the transportation needs of Oregon.

(g) Prescribe the administrative practices followed by the director in the performance of any duty imposed on the director by law.

(h) Seek to enter into intergovernmental agreements with local governments and local service districts, as those terms are defined in ORS 174.116, to encourage cooperation between the department and local governments and local service districts to maximize the efficiency of transportation systems in Oregon.

(i) Review and approve the department’s:

(A) Proposed transportation projects, as described in the Statewide Transportation Improvement Program, and any significant transportation project modifications, as determined by the commission;

(B) Proposed budget form prior to the department submitting the form to the Oregon Department of Administrative Services under ORS 291.208;

(C) Anticipated capital construction requirements;

(D) Construction priorities; and

(E) Selection, vacation or abandonment of state highways.

(j) Adopt a statewide transportation strategy on greenhouse gas emissions to aid in achieving the greenhouse gas emissions reduction [goals] limits set forth in ORS 468A.205. The commission shall focus on reducing greenhouse gas emissions resulting from transportation. In developing the strategy, the commission shall consider state and federal programs, policies and incentives related to reducing greenhouse gas emissions. The commission shall consult and cooperate with metropolitan planning organizations, other state agencies, local governments and stakeholders and shall actively solicit public review and comment in the development of the strategy.

(k) Perform any other duty vested in it by law.
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(2) The commission has general power to take any action necessary to coordinate and administer programs relating to highways, motor carriers, motor vehicles, public transit, rail, transportation safety and such other programs related to transportation.

(3) The commission may require the director to furnish whatever reports, statistics, information or assistance the commission may request in order to study the department or transportation-related issues.

SECTION 4. ORS 184.621 is amended to read:

ORS 184.621. The Oregon Transportation Commission shall work with stakeholders to review and update the criteria used to select projects within the Statewide Transportation Improvement Program. When revising the project selection criteria the commission shall consider whether the project:

(1) Improves the state highway system or major access routes to the state highway system on the local road system to relieve congestion by expanding capacity, enhancing operations or otherwise improving travel times within high-congestion corridors.

(2) Enhances the safety of the traveling public by decreasing traffic crash rates, promoting the efficient movement of people and goods and preserving the public investment in the transportation system.

(3) Supports improvements necessary for Oregon’s economic growth and competitiveness, accessibility to industries and economic development.

(4) Provides the greatest benefit in relation to project costs as analyzed under ORS 184.659.

(5) Fosters livable communities by demonstrating that the investment does not undermine sustainable urban development.

(6) Enhances the value of transportation projects through designs and development that reflect environmental stewardship and community sensitivity.

(7) Is consistent with the state’s greenhouse gas emissions reduction [goals] limits and reduces Oregon’s dependence on foreign oil.

(8) To the extent practicable, ensures that the state’s transportation infrastructure is resilient in the event of a natural disaster.

(9) Is located near operations conducted for mining aggregate or processing aggregate as described in ORS 215.213 (2)(d) or 215.283 (2)(b).

SECTION 5. ORS 283.398 is amended to read:

ORS 283.398. (1) As used in this section and ORS 283.401, “zero-emission vehicle” means a battery electric vehicle, a plug-in hybrid electric vehicle or a hydrogen fuel cell vehicle or any type of vehicle defined by the State Department of Energy or the Environmental Quality Commission by rule as a “zero-emission vehicle” if the vehicle’s type and fuel are consistent with the goals set forth in this section.

(2) The Legislative Assembly finds that:

(a) Motor vehicle emissions contribute significantly to air pollution in this state.

(b) In 2019, the Oregon transportation sector was responsible for approximately 40 percent of this state’s greenhouse gas emissions, and light-duty vehicles were responsible for more than half of the transportation sector’s emissions.

(c) Motor vehicle emissions, especially greenhouse gases, are difficult to reduce and will rise over time if not limited by additional laws and regulations.

(d) Absent significant changes in the types of motor vehicles used by people and businesses in Oregon, the state will not meet the greenhouse gas emissions reduction [goals] limits set forth in
ORS 468A.205.

(e) In ORS 757.357, the Legislative Assembly found that transportation electrification is necessary to reduce petroleum use, achieve optimum levels of energy efficiency and carbon reduction, meet federal and state air quality standards, meet this state’s greenhouse gas emissions reduction [goals] limits set forth in ORS 468A.205 and improve the public health and safety.

(f) Existing federal and state incentives and programs are insufficient to transform the motor vehicle market on a timeline that will protect Oregonians from the worst impacts of global climate change.

(g) The purchase and ownership of zero-emission vehicles can reduce the overall energy costs paid by Oregon households and the specific costs associated with meeting transportation needs.

(h) A robust and well-operating market for zero-emission vehicles is essential to meeting this state’s greenhouse gas emissions reduction goals.

(i) Certain residents and communities face greater barriers to purchasing or leasing zero-emission vehicles, and additional support and innovative solutions are necessary to ensure that all Oregon households benefit from transportation electrification.

(3) The Legislative Assembly declares the following goals:

(a) Transformation of the motor vehicle market must occur no later than 2035.

(b) Programs and support must be provided to accelerate Oregonians’ purchase and use of zero-emission vehicles until greenhouse gas emissions from vehicles are declining at a rate consistent with this state’s greenhouse gas emissions reduction [goals] limits set forth in ORS 468A.205.

(c) The adoption and use of zero-emission vehicles must be evaluated regularly to determine whether the rate of the adoption and use of zero-emission vehicles will put the state on course to meet its greenhouse gas emissions reduction [goals] limits.

(4) To promote acquisition and use of zero-emission vehicles, all entities of the executive department, as defined in ORS 174.112, shall lead by example by:

(a) Purchasing or leasing light-duty or medium-duty zero-emission vehicles, consistent with ORS 283.327, when purchasing or leasing vehicles;

(b) Adopting policies and rules that promote the goals set forth in this section; and

(c) Considering recommendations submitted in the report required by ORS 283.401 that relate to zero-emission vehicles and adopting the recommendations when feasible.

SECTION 6. ORS 283.401 is amended to read:

283.401. (1) On or before September 15 of each odd-numbered year, the State Department of Energy shall submit to the Governor and an interim committee of the Legislative Assembly related to the environment a report on adoption of zero-emission vehicles in this state and the progress the state is making to achieve reductions in greenhouse gas emissions in the transportation sector. The report shall provide:

(a) A review, using existing studies, market reports, polling data or other publicly available information, of the market in this state for zero-emission vehicles and any barriers to adopting zero-emission vehicles in this state;

(b) An assessment of the state’s progress in promoting the goals set forth in ORS 283.398; and

(c) The date on which the state is predicted to meet the goals set forth in ORS 283.398.

(2) The department may contract with third parties to assist in performing the duties described in subsection (1) of this section.

(3) The department shall assess the state’s progress under subsection (1)(b) of this section. The assessment must focus on commercially available, or near-commercially available, zero-emission ve-
vehicle technology, to the extent possible, and rely on existing studies, data and analysis. In the assessment, the department shall evaluate:

(a) Whether the transportation sector is on course to reduce the share of greenhouse gas emissions from motor vehicles, as defined in ORS 801.360, consistent with the greenhouse gas emissions reduction [goals] limits set forth in ORS 468A.205.

(b) The sales figures and numbers of zero-emission vehicles that are owned in Oregon, including forecasts as to whether:

(A) By 2020, 50,000 registered motor vehicles will be zero-emission vehicles;
(B) By 2025, at least 250,000 registered motor vehicles will be zero-emission vehicles;
(C) By 2030, at least 25 percent of registered motor vehicles, and at least 50 percent of new motor vehicles sold annually, will be zero-emission vehicles; and
(D) By 2035, at least 90 percent of new motor vehicles sold annually will be zero-emission vehicles.

(c) The sales figures and numbers of zero-emission vehicles that are owned in Oregon, differentiated, to the extent feasible, by demographic factors, including whether persons that own zero-emission vehicles reside in urban or rural areas.

(d) The availability and reliability of public and private electric vehicle charging infrastructure that is needed to support the targets for zero-emission vehicle sales and registration identified in paragraph (b) of this subsection. The department shall assess reliability under this paragraph only if the department requests and obtains information on reliability from providers of electric vehicle charging infrastructure.

(e) The incremental purchase cost difference, before and after federal and state incentives, between the purchase cost of a zero-emission vehicle and the purchase cost of a comparable vehicle powered by an internal combustion engine.

(f) The zero-emission vehicles that are available for purchase in all market segments.

(g) Oregonians' awareness of motor vehicle options, the benefits of owning zero-emission vehicles and the true costs of motor vehicle ownership.

(h) The carbon intensity of fuel consumed by the Oregon transportation sector as a whole.

(i) The general progress toward electrification of all fossil fuel-based transportation modes.

(j) Opportunities to minimize impacts to the electric grid from transportation electrification, including rate design, managed charging, vehicle-to-grid services and electricity conservation techniques.

(k) In consultation with the Department of Transportation, the impact of the sales and ownership of zero-emission vehicles on revenues that would otherwise accrue to the State Highway Fund under ORS 366.505.

(4) If the State Department of Energy determines that the state is not on course to meet the goals set forth in ORS 283.398, the department shall make recommendations in the report required by this section, including recommendations for legislation. Recommended legislation:

(a) May not mandate required levels of motor vehicle sales.

(b) Must promote the zero-emission vehicle market, address barriers to adoption of zero-emission vehicles in the light-duty portion of the transportation sector, encourage transportation electrification and further the goals set forth in ORS 283.398.

SECTION 7. ORS 468A.235 is amended to read:

468A.235. The Oregon Global Warming Commission shall recommend ways to coordinate state and local efforts to reduce greenhouse gas emissions in Oregon consistent with the greenhouse gas

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emissions reduction [goals] limits established by ORS 468A.205 and shall recommend efforts to help Oregon prepare for the effects of [global warming] climate change. The Office of the Governor and state agencies working on multistate and regional efforts to reduce greenhouse gas emissions shall inform the commission about these efforts and shall consider input from the commission for such efforts.

SECTION 8, ORS 468A.240 is amended to read:

468A.240. (1) In furtherance of the greenhouse gas emissions reduction [goals] limits established by ORS 468A.205, the Oregon Global Warming Commission may recommend statutory and administrative changes, policy measures and other recommendations to be carried out by state and local governments, businesses, nonprofit organizations or residents. In developing its recommendations, the commission shall consider economic, environmental, health and social costs, and the risks and benefits of alternative strategies, including least-cost options. The commission shall solicit and consider public comment relating to statutory, administrative or policy recommendations.

(2) The commission shall examine greenhouse gas cap-and-trade systems, including a statewide and multistate carbon cap-and-trade system and market-based mechanisms, as a means of achieving the greenhouse gas emissions reduction [goals] limits established by ORS 468A.205.

(3) The commission shall examine possible funding mechanisms to obtain low-cost greenhouse gas emissions reductions and energy efficiency enhancements, including but not limited to those in the natural gas industry.

SECTION 9, ORS 468A.250 is amended to read:

468A.250. (1) The Oregon Global Warming Commission shall track and evaluate:

(a) Economic, environmental, health and social assessments of [global warming] climate change impacts on Oregon and the Pacific Northwest;

(b) Existing greenhouse gas emissions reduction policies and measures;

(c) Economic, environmental, health and social costs, and the risks and benefits of alternative strategies, including least-cost options;

(d) The physical science of global warming;

(e) Progress toward the greenhouse gas emissions reduction [goals] limits established by ORS 468A.205;

(f) Greenhouse gases emitted by various sectors of the state economy, including but not limited to industrial, transportation and utility sectors;

(g) Technological progress on sources of energy the use of which generates no or low greenhouse gas emissions and methods for carbon sequestration;

(h) Efforts to identify the greenhouse gas emissions attributable to the residential and commercial building sectors;

(i) The carbon sequestration potential of Oregon’s forests, alternative methods of forest management that can increase carbon sequestration and reduce the loss of carbon sequestration to wildfire, changes in the mortality and distribution of tree and other plant species and the extent to which carbon is stored in tree-based building materials;

(j) The advancement of regional, national and international policies to reduce greenhouse gas emissions;

(k) Local and regional efforts to prepare for the effects of [global warming] climate change; and

(L) Any other information, policies or analyses that the commission determines will aid in the achievement of the greenhouse gas emissions reduction [goals] limits established by ORS 468A.205.

(2) The commission shall:
(a) Work with the State Department of Energy and the Department of Environmental Quality to evaluate all gases with the potential to be greenhouse gases and to determine a carbon dioxide equivalency for those gases; and

(b) Use regional and national baseline studies of building performance to identify incremental targets for the reduction of greenhouse gas emissions attributable to residential and commercial building construction and operations.

SECTION 10. ORS 468A.260 is amended to read:

468A.260. The Oregon Global Warming Commission shall submit a report to the Legislative Assembly, in the manner provided by ORS 192.245, by March 31 of each odd-numbered year that describes Oregon's progress toward achievement of the greenhouse gas emissions reduction [goals] limits established by ORS 468A.205. The report may include relevant issues and trends of significance, including trends of greenhouse gas emissions, emerging public policy and technological advances. The report also may discuss measures the state may adopt to mitigate the impacts of [global warming] climate change on the environment, the economy and the residents of Oregon and to prepare for those impacts.

SECTION 11. ORS 757.357 is amended to read:

757.357. (1) As used in this section:

(a) “Electric company” has the meaning given that term in ORS 757.600.

(b) “Transportation electrification” means:

(A) The use of electricity from external sources to provide power to all or part of a vehicle;

(B) Programs related to developing the use of electricity for the purpose described in subparagraph (A) of this paragraph; and

(C) Infrastructure investments related to developing the use of electricity for the purpose described in subparagraph (A) of this paragraph;

(c) “Vehicle” means a vehicle, vessel, train, boat or any other equipment that is mobile.

(2) The Legislative Assembly finds and declares that:

(a) Transportation electrification is necessary to reduce petroleum use, achieve optimum levels of energy efficiency and carbon reduction, meet federal and state air quality standards, meet this state’s greenhouse gas emissions reduction [goals] limits described in ORS 468A.205 and improve the public health and safety;

(b) Widespread transportation electrification requires that electric companies increase access to the use of electricity as a transportation fuel;

(c) Widespread transportation electrification requires that electric companies increase access to the use of electricity as a transportation fuel in low and moderate income communities;

(d) Widespread transportation electrification should stimulate innovation and competition, provide consumers with increased options in the use of charging equipment and in procuring services from suppliers of electricity, attract private capital investments and create high quality jobs in this state;

(e) Transportation electrification and the purchase and use of electric vehicles should assist in managing the electrical grid, integrating generation from renewable energy resources and improving electric system efficiency and operational flexibility, including the ability of an electric company to integrate variable generating resources;

(f) Deploying transportation electrification and electric vehicles creates the opportunity for an electric company to propose, to the Public Utility Commission, that a net benefit for the customers of the electric company is attainable; and
(g) Charging electric vehicles in a manner that provides benefits to electrical grid management affords fuel cost savings for vehicle drivers.

(3) The Public Utility Commission shall direct each electric company to file applications, in a form and manner prescribed by the commission, for programs to accelerate transportation electrification. A program proposed by an electric company may include prudent investments in or customer rebates for electric vehicle charging and related infrastructure.

(4) When considering a transportation electrification program and determining cost recovery for investments and other expenditures related to a program proposed by an electric company under subsection (3) of this section, the commission shall consider whether the investments and other expenditures:

(a) Are within the service territory of the electric company;
(b) Are prudent as determined by the commission;
(c) Are reasonably expected to be used and useful as determined by the commission;
(d) Are reasonably expected to enable the electric company to support the electric company’s electrical system;
(e) Are reasonably expected to improve the electric company’s electrical system efficiency and operational flexibility, including the ability of the electric company to integrate variable generating resources; and
(f) Are reasonably expected to stimulate innovation, competition and customer choice in electric vehicle charging and related infrastructure and services.

(5)(a) Tariff schedules and rates allowed pursuant to subsection (3) of this section:

(A) May allow a return of and a return on an investment made by an electric company under subsection (3) of this section; and

(B) Shall be recovered from all customers of an electric company in a manner that is similar to the recovery of distribution system investments.

(b) A return on investment allowed under this subsection may be earned for a period of time that does not exceed the depreciation schedule of the investment approved by the commission. When an electric company’s investment is fully depreciated, the commission may authorize the electric company to donate the electric vehicle charging infrastructure to the owner of the property on which the infrastructure is located.

(6) For purposes of ORS 757.355, electric vehicle charging infrastructure provides utility service to the customers of an electric company.

(7) In authorizing programs described in subsection (3) of this section, the commission shall review data concerning current and future adoption of electric vehicles and utilization of electric vehicle charging infrastructure. If market barriers unrelated to the investment made by an electric company prevent electric vehicles from adequately utilizing available electric vehicle charging infrastructure, the commission may not permit additional investments in transportation electrification without a reasonable showing that the investments would not result in long-term stranded costs recoverable from the customers of electric companies.

CAPTIONS

SECTION 12. The unit captions used in this 2020 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2020 Act.
REFERRAL

SECTION 13. This 2020 Act shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state.