

Legislative Fiscal Office

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Joint Committee on Ways and Means

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To: Transportation and Economic Development Subcommittee

From: Kim To, Legislative Fiscal Office

Date: June 16, 2021

Subject: HB 2739 – Relating to utility ratepayer assistance
Work Session Recommendations

HB 2739 A-Engrossed modifies statutes relating to electric companies' collection of funds for low-income electric bill payment assistance. The measure directs electric companies to collect an additional \$10 million per calendar year to assist households affected by the COVID-19 pandemic. The Public Utility Commission (PUC) is responsible for determining the right rate distribution for collection of these funds. The measure instructs PUC to increase the public purpose charge rate for the low-income assistance fund any time the projected or actual charge rates do not achieve the \$20 million calendar threshold. The measure requires the Housing and Community Services Department (HCSD) to tailor the services it provides as part of its regular low-income bill assistance program so that the funds expended in the program match up with the service areas in which the funds were collected. The measure specifies that the \$500 customer impact limit applies to the new COVID-19 surcharge.

HCSD is responsible for administering the low-income electric bill payment assistance program, known as the Oregon Energy Assistance Program (OEAP). HCSD estimates the administrative cost of expanding the low-income electric bill payment assistance program to be \$75,398 Other Funds, 1 position, 0.88 FTE for the 2021-23 biennium; and \$34,795 Other Funds, 1 position, 0.38 FTE for the 2023-25 biennium. Although HCSD can absorb most of the work associated with the additional funds, the agency anticipates needing an additional part-time, limited duration Administrative Specialist 2 position to support existing staff. The increase in this program will begin January 1, 2022 and is repealed January 2, 2024.

Passage of this measure is anticipated to have a minimal fiscal impact on PUC. The agency has a process to review tariffs and the additional requirements of the measure can be met with existing resources.

The measure previously had a hearing in the House Committee on Human Services on 3/31/2021, 4/7/2021, 4/12/2021, and was reported out with a do pass recommendation.

Recommended Changes

The -A3 includes funding for the Housing and Community Services Department to carry out the work required by the measure. LFO recommends adoption of the -A3 amendment.

Final Subcommittee Action

LFO recommends that HB 2739, as amended by the -A3 amendment, be moved to the Ways and Means Full Committee.

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____