

Requested by SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

**PROPOSED AMENDMENTS TO  
SENATE BILL 318**

1 On page 1 of the printed bill, delete lines 5 through 29.

2 Delete pages 2 and 3 and insert:

3 **“SECTION 2. (1) As used in this section:**

4 **“(a) ‘Electric company’ has the meaning given that term in ORS**  
5 **757.600.**

6 **“(b) ‘Electricity service supplier’ has the meaning given that term**  
7 **in ORS 757.600.**

8 **“(c) ‘Load serving entity’ means a person that:**

9 **“(A) Secures energy and transmission and related interconnection**  
10 **operation services to serve the electrical demand of its customers;**

11 **“(B) Serves customers in the service area in this state of a public**  
12 **utility; and**

13 **“(C) Is not a municipal electric utility, a people’s utility district**  
14 **organized under ORS chapter 261 or an electric cooperative organized**  
15 **under ORS chapter 262.**

16 **“(d) ‘Resource adequacy’ means a condition in which there is suf-**  
17 **ficient qualifying capacity, as determined by the Public Utility Com-**  
18 **mission, to satisfy current and forecasted future load requirements**  
19 **and operating reserves with a sufficient level of reliability for elec-**  
20 **tricity customers subject to the commission’s jurisdiction.**

21 **“(2) The commission may, pursuant to its authority under ORS**

1 **756.040 to obtain adequate service for the public generally, determine**  
2 **resource adequacy requirements for load serving entities. Resource**  
3 **adequacy requirements adopted under this subsection must:**

4 **“(a) Apply comparably to all load serving entities;**

5 **“(b) Avoid creating duplicative obligations; and**

6 **“(c) Be cost effective to the maximum extent practicable.**

7 **“(3)(a) Notwithstanding ORS 757.646 and the definition of**  
8 **‘electricity’ and ‘electricity services’ in ORS 757.600:**

9 **“(A) An electric company may provide resource adequacy to the**  
10 **customers of an electricity service supplier within the electric**  
11 **company’s service territory if the electricity service supplier elects**  
12 **with adequate notice, as determined by the commission, to rely on the**  
13 **electric company for some or all of the resource adequacy to meet the**  
14 **electricity service supplier’s resource adequacy obligations.**

15 **“(B) The commission may require an electric company to provide**  
16 **resource adequacy to the customers of an electricity service supplier**  
17 **that fails to meet the requirements established by the commission**  
18 **under subsection (2) of this section. The commission shall determine**  
19 **the conditions, if any, under which requiring an electric company to**  
20 **provide resource adequacy pursuant to this paragraph is appropriate.**

21 **“(b) If an electric company provides resource adequacy to the cus-**  
22 **tomers of an electricity service supplier under this subsection, the**  
23 **commission shall ensure that the rates that the electric company may**  
24 **charge to the customers of the electricity service supplier for provision**  
25 **of resource adequacy are comparable to the rates charged for pro-**  
26 **visions of resource adequacy by the electric company to the customers**  
27 **that purchase electricity from the electric company.**

28 **“(4)(a) If a load serving entity that is an electricity service supplier**  
29 **that has not elected under subsection (3)(a)(A) of this section to have**  
30 **an electric company provide resource adequacy fails to comply with a**

1 resource adequacy requirement established by the commission pursu-  
2 ant to subsection (2) of this section, the commission may impose a  
3 penalty against the electricity service supplier in a reasonable amount  
4 determined by the commission. All penalties recovered under this  
5 section shall be paid into the State Treasury and credited to the Gen-  
6 eral Fund and are available for general governmental expenses.

7 “(b) Each day that an electric company fails to comply with a re-  
8 source adequacy requirement established by the commission pursuant  
9 to subsection (2) of this section shall constitute a separate violation  
10 for purposes of penalties imposed under ORS 756.990.

11 “(5) The commission shall consider coordination and integration  
12 with an applicable multistate, regional or national entity when as-  
13 sessing resource adequacy under this section. The commission may  
14 consider adopting or integrating resource adequacy requirements or  
15 obligations imposed on load serving entities by one or more applicable  
16 multistate, regional or national entities if the commission determines  
17 that the requirements or obligations are likely to help ensure resource  
18 adequacy in Oregon.”

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