

HB 3161 STAFF MEASURE SUMMARY
House Committee On Climate, Energy, and Environment

Carrier: Rep. Andersen

Action Date: 02/20/23

Action: Do Pass.

Vote: 10-0-0-0

Yeas: 10 - Andersen, Helm, Kropf, Levy B, Levy E, Marsh, Osborne, Owens, Pham K, Wallan

Fiscal: No fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/13, 2/20

WHAT THE MEASURE DOES:

Modifies how electric utilities subject to the renewable portfolio standard (RPS) are required to report activities related to the RPS to the Public Utility Commission (PUC). Eliminates requirement that these electric utilities submit an implementation plan related to RPS activities to the PUC. Adds requirement that electric utilities describe their plan to meet the RPS as part of their integrated resource plan (IRP). Requires PUC to acknowledge electric utility's plan to meet the RPS as part of its existing process to acknowledge a utility's IRP. Requires PUC to adopt rules establishing requirements for the content of plans for meeting RPS requirements.

ISSUES DISCUSSED:

- Renewable Portfolio Standard greenhouse gas reduction targets
- Utilities' requirements

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Public Utility Commission (PUC) is Oregon's public body responsible for regulating rates for public utilities, which include electric, natural gas, telephone, and some water companies. The PUC also enforces safety standards for electric and gas and handles complaints by Oregon residents about utilities.

Oregon's Renewable Portfolio Standard (RPS) requires that 50 percent of energy sold by Oregon electric utilities must be from renewable sources by 2040. Electric companies subject to the RPS are required to develop an implementation plan containing the electric utility's targets for, and costs of, acquiring and using renewable energy (ORS 469A.075). The plan must be filed with the PUC every two years. The PUC is granted six months to acknowledge a utility's submitted implementation plan. The PUC specifies the content of the plan and the process by which the PUC will acknowledge a utility's plan (OAR 860.083.0400).

ORS 469A.075 requires investor-owned utilities to file a written integrated resource plan (IRP) that outlines the utility's longer-term plan to meet future energy needs at the least cost and least risk. Utilities must submit an IRP to the PUC every two years. The PUC holds a public hearing and accepts public comment on the IRP before issuing an acknowledgment. Utilities must also submit an annual written update on their IRP that outlines progress made toward goals, any changes since the IRP was filed, and an explanation of changes. The utility must also present the annual update in a public meeting before the PUC acknowledges the update.

House Bill 3161 modifies the RPS implementation plan requirement by making it a required element of an electric utility's IRP submission rather than a separate submission, and requires the Oregon Public Utility Commission to review a utility's RPS implementation plan as part of its acknowledgment of the utility's IRP.