

## HB 3459 -4, -5 STAFF MEASURE SUMMARY

### House Committee On Climate, Energy, and Environment

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**Meeting Dates:** 3/27, 3/29

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#### WHAT THE MEASURE DOES:

Defines terms. Prohibits an energy utility from disconnecting service to a customer of the energy utility for the reason that the customer failed to pay an amount owed to the energy utility. Prohibits an energy utility from seeking to collect from a customer who fails to pay an amount owed if the customer has an energy burden of six percent or more. Authorizes an energy utility to seek to collect from a customer who fails to pay an amount owed if the customer has an energy burden of less than six percent, providing that the utility meets the following requirements to: 1) Provide written notice to the customer at least 20 days prior to beginning to seek to collect on an amount owed that is overdue; and 2) Accept a reasonable partial payment or payment plan for an amount owed that is overdue. Prohibits a partial payment or payment plan for an amount owed that is overdue from including terms that require a customer to pay a monthly amount that is six percent or more of the customer's household monthly gross income. Requires an energy utility to provide written notice to the customer at least 20 days prior to beginning to seek to collect on an amount owed under an agreed-upon partial payment or payment plan if a customer fails to pay under the agreed-upon partial payment or payment plan. Requires an energy utility to provide the Oregon Housing and Community Services Department (OHCS) the name and address of each customer from whom the energy utility seeks to collect whose annual income is 50 percent of the federal poverty rate guidelines or less. Requires OHCS to contact the customer whose name is for purposes of helping the customer access programs or resources that provide low-cost weatherization or other assistance for reducing energy usage. Requires an energy utility to establish billing procedures that provide a period of no less than 30 days from the date of a billing transmittal for all current charges, including payment for final bills, to the date the payment for the charges is due. Authorizes the Public Utility Commission (PUC), or the governing body for an energy utility that is a people's utility district, municipal utility, or cooperative, to allow for costs of overdue amounts owed to be recoverable in the rates of the energy utility, at a rate increase not to exceed one percent of the total revenues collected by the energy utility from all of the energy utility's residential service customers. Requires the PUC—for an energy utility that is a public utility—or the governing body for an energy utility that is a people's utility district, municipal utility, or cooperative, to establish a program to identify residential customers who have higher than average energy usage and to connect those residential customers with the Oregon Housing and Community Services Department for assistance with reducing their energy usage. Establishes requirements for an energy utility under the program.

- FISCAL: Fiscal impact statement issued
- REVENUE: No revenue impact

*Subsequent referral to the Joint Committee on Ways and Means*

#### ISSUES DISCUSSED:

- Provisions of measure

#### EFFECT OF AMENDMENT:

*-4 The -4 amendment is the same as the -5, without the \$5 million for low-income electric bill payment and crisis assistance.*

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Removes language around collection of funds for low-income electric bill payment and crisis assistance for utility arrearages related to SARS-CoV-2 impacts. Extends the sunset of the low-income electric bill payment and crisis assistance program from January 2, 2024 to January 2, **2026**.

-5 Removes language around collection of funds for low-income electric bill payment and crisis assistance for utility arrearages related to SARS-CoV-2 impacts. Modifies the amount, from \$10 million to **\$5 million**, that the Public Utility Commission is required to collect and provide per calendar year for low-income electric bill payment and crisis assistance. Extends the sunset of the low-income electric bill payment and crisis assistance program from January 2, 2024 to January 2, **2026**.

### **BACKGROUND:**

The Public Utility Commission has administrative rules that prohibit utilities from disconnecting service to customers under certain circumstances. Oregon Administrative Rule (OAR) 860-021-0407 outlines the severe weather moratorium on involuntary disconnection of residential and small commercial electric or gas utility service for nonpayment.

House Bill 3459 would prohibit an energy utility from disconnecting service to a customer if the customer failed to pay an amount owed and would prohibit an energy utility from seeking to collect from a customer who fails to pay an amount owed if the customer has an energy burden of six percent or more.