



Legislative Fiscal Office
 83rd Oregon Legislative Assembly
 2025 Regular Session

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Bill Title: Relating to utility wildfire safety practices.

Government Unit(s) Affected: Department of Forestry, Public Utility Commission, Legislative Assembly, Department of the State Fire Marshal

Summary of Fiscal Impact

| 2025-27 Biennium | General Fund | Lottery Funds | Other Funds | Federal Funds | Total Funds | Positions | FTE |
|----------------------------|--------------|---------------|---------------------|---------------|---------------------|-----------|-------------|
| Public Utility Commission | \$ - | \$ - | \$ 2,068,560 | \$ - | \$ 2,068,560 | 6 | 5.25 |
| Total Fiscal Impact | \$ - | \$ - | \$ 2,068,560 | \$ - | \$ 2,068,560 | 6 | 5.25 |

| 2027-29 Biennium | General Fund | Lottery Funds | Other Funds | Federal Funds | Total Funds | Positions | FTE |
|----------------------------|--------------|---------------|---------------------|---------------|---------------------|-----------|-------------|
| Public Utility Commission | \$ - | \$ - | \$ 2,273,106 | \$ - | \$ 2,273,106 | 6 | 6.00 |
| Total Fiscal Impact | \$ - | \$ - | \$ 2,273,106 | \$ - | \$ 2,273,106 | 6 | 6.00 |

Measure Description

The measure establishes a wildfire safety certification process for public utilities and consumer-owned utilities that provide electricity in Oregon. The Public Utility Commission (PUC) is directed to issue a certification to utilities who have demonstrated compliance with approved wildfire protection or mitigation plans and meet implementation, reporting, and safety standards. Certification requirements include safety audits, employee training, third-party assessments, and alignment with existing PUC rules.

PUC must approve or deny applications within 90 days and adopt rules for program implementation in consultation with the Oregon Department of Forestry (ODF), the Department of the State Fire Marshal (DSFM), and academic institutions with wildfire mitigation expertise. Consumer-owned utilities may also apply for wildfire safety certification. A utility’s decision not to apply for certification, or delays in certification review, are not admissible in related civil proceedings. Public utilities are required to submit their first application by December 31, 2027.

Fiscal Analysis

The total estimated fiscal impact of the measure is \$2,068,560 Other Funds and six permanent full-time positions (5.25 FTE) in the 2025-27 biennium and \$2,273,106 Other Funds and six permanent full-time positions (6.00 FTE) in the 2027-29 biennium.

Public Utility Commission

PUC is expected to conduct a rulemaking process to establish wildfire safety certification criteria. This effort will involve staff-led investigations, stakeholder and community engagement, and coordination with ODF, DSFM, and academic institutions to develop performance-based or prescriptive wildfire safety standards. Once the

program is established, the Commission must review and issue a decision on each certification application within 90 days of receipt. Reviews may include in-field audits to verify the implementation of approved wildfire protection plans.

To manage this workload, PUC anticipates the need for six permanent full-time Utility and Energy Analyst 3 positions (5.25 FTE in the 2025-27 biennium and 6.00 FTE in the 2027-29 biennium). Position costs are estimated at \$1,517,118 Other Funds in the 2025-27 biennium and \$1,733,844 Other Funds in the 2027-29 biennium. Additional service and supply costs are estimated at \$551,442 Other Funds in the 2025-27 biennium and \$539,262 in the 2027-29 biennium, which includes position-support costs, in-state travel expenses for certification inspections, and legal review related to rulemaking. Professional service costs for contracting with an independent evaluator to validate field audits with utility plans and assess the accuracy of reported implementation are estimated at \$250,000 per biennium.

The Legislative Fiscal Office notes PUC is supported through Other Funds generated by PUC's annual fee on the revenues of electric, gas, telecommunications, and water/wastewater utilities operating in the state. This fee is currently capped in statute at 0.45% of gross revenue and PUC's fees are set at the statutory cap. In order for PUC to support the positions and related services and supplies associated with this measure long-term, it would require both a statutory cap increase and a higher fee on utility gross revenues. Absent a cap increase and associated fee increase, the Legislature may need to consider funding some expenditures with General Fund resources.

Other entities

There is no to minimal impact estimated for the Legislative Assembly, the Department of Forestry, and the Department of the State Fire Marshal.

Relevant Dates

Public utilities are required to submit their first application by December 31, 2027.

The measure takes effect on January 1, 2026.