

HB 2065 B BUDGET REPORT and MEASURE SUMMARY

Carrier: Sen. Frederick

Joint Committee On Ways and Means

Action Date: 06/17/25

Action: Do pass the B-Eng bill.

Senate Vote

Yeas: 10 - Anderson, Broadman, Campos, Frederick, Girod, Lieber, Manning Jr, McLane, Smith DB, Sollman

Nays: 1 - Bonham

House Vote

Yeas: 11 - Bowman, Breese-Iverson, Cate, Evans, Gomberg, Levy E, Owens, Ruiz, Sanchez, Smith G, Valderrama

Nays: 1 - Drazan

Prepared By: Kendra Beck, Department of Administrative Services

Reviewed By: Twais Broadus, Legislative Fiscal Office

Public Utility Commission

2025-27

Budget Summary*

	2023-25 Legislatively Approved Budget ⁽¹⁾	2025-27 Current Service Level	2025-27 Committee Recommendation	Committee Change from 2023-25 Leg. Approved	
				\$ Change	% Change
Other Funds Limited	\$ -	\$ -	\$ 335,136	\$ 335,136	100.0%
Total	\$ -	\$ -	\$ 335,136	\$ 335,136	100.0%

Position Summary

Public Utility Commission

Authorized Positions	0	0	1	1	
Full-time Equivalent (FTE) positions	0.00	0.00	0.88	0.88	

⁽¹⁾ Includes adjustments through January 2025

* Excludes Capital Construction expenditures

Summary of Revenue Changes

House Bill 2065 increases Other Funds expenditure limitation by \$335,136 for the Public Utility Commission (PUC) for the 2025-27 biennium for work related to interconnection studies for microgrid projects. These costs will be supported by the PUC’s annual fee on the revenues of regulated electric, gas, telecommunications, and water/wastewater utilities.

Summary of Natural Resources Subcommittee Action

House Bill 2065 establishes a process for interconnecting microgrids and community microgrids with the transmission or distribution systems of public utilities. PUC is directed to adopt rules governing how third-party consultants perform interconnection studies for microgrid projects, which is to include addressing potential liability issues and establishing standards utilities must apply when reviewing and deciding on interconnection applications. PUC is also directed to assess whether additional policies are needed for microgrid generators, considering existing rules that already cover interconnection costs, dispute resolution, cost allocation, and utility agreements.

This measure increases PUC’s Other Funds expenditure limitation by \$260,136 for one permanent, full-time Utility and Energy Analyst 3 position (0.88 FTE) and position related services and supplies to contribute to the work required by the measure. A one-time Other Funds expenditure limitation increase of \$75,000 for the 2025-27 biennium is also included for services and supplies costs related to legal review during rulemaking.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Public Utility Commission
Kendra Beck – 503-400-4747

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Public Utility Commission										
SCR 001 - Utility Regulation										
Personal Services	\$ -	\$ -	\$ 252,853	\$ -	\$ -	\$ -	\$ 252,853	1	0.88	
Services and Supplies	\$ -	\$ -	\$ 82,283	\$ -	\$ -	\$ -	\$ 82,283			
TOTAL ADJUSTMENTS	\$ -	\$ -	\$ 335,136	\$ -	\$ -	\$ -	\$ 335,136	1	0.88	
SUBCOMMITTEE RECOMMENDATION *	\$ -	\$ -	\$ 335,136	\$ -	\$ -	\$ -	\$ 335,136	1	0.88	

*Excludes Capital Construction Expenditures