

HB 4025 STAFF MEASURE SUMMARY

House Committee On Commerce and Consumer Protection

Prepared By: Andrew Hendrie, LPRO Analyst

Meeting Dates: 2/3, 2/5

WHAT THE MEASURE DOES:

The measure specifies that only a public utility that provides electricity or natural gas services cannot raise their residential rates between November 1st and March 31st. It takes effect on the 91st day following adjournment sine die.

Fiscal impact: (info)

Revenue impact: No Revenue Impact

ISSUES DISCUSSED:

- Provisions of the measure

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A Public Utility Commission in the United States is a state-level government agency responsible for regulating Investor-owned Utilities (IOU), typically including electricity, natural gas, water, telecommunications, and sometimes transportation services. Public Utility Commissions serve to ensure that utilities are provided to consumers at a reasonable price and that companies comply with safety standards.

Oregon's Public Utilities Commission (PUC) operates within federal law and the framework set by the legislature (ORS chapter 756, chapter 757). PUC sets the rates that utility companies can charge their customers, which includes review and approval of (1) residential, (2) commercial, and (3) industrial rates. It also approves the structure of rates, including how different customer categories (e.g., residential, commercial, industrial) are charged during seasonal rate changes or peak demand times, which are called rate schedules or tariffs. PUC's goal is to ensure that rates for IOUs are just, reasonable, and sufficient to allow utilities to cover operational costs and attract necessary capital.

In 2025 the legislature adopted HB 3179 that created a moratorium on utilities raising rates from November 1st to March 31st. HB 4025 would specify that the moratorium applies to electric and gas distributing utilities and not apply to other utilities such as water distributing utilities.