

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

June 17, 2003 Hearing Room E
1:00 PM Tapes 81 - 82

MEMBERS PRESENT: **Rep. Dan Doyle, Chair**
 Rep. Linda Flores, Vice-Chair
 Rep. Laurie Monnes Anderson, Vice Chair
 Rep. Vic Backlund
 Rep. Phil Barnhart
 Rep. Betsy L. Close
 Rep. Joanne Verger

STAFF PRESENT: **Megan Palau, Administrator**
 Patrick Brennan, Administrator
 Cara Filsinger, Administrator
 Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: **HB 3640 – Public Hearing**
 HB 3154 – Public Hearing and Work Session
 Amendment to House Rule 2.05 – Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
Tape 81, A 004	Chair Doyle	Calls meeting to order at 1:05 p.m., announces order agenda items will be considered, and opens a public hearing on HB 3640.
<u>HB 3640 – PUBLIC HEARING</u>		
013	Julie Brandis	Associated Oregon Industries (AOI). Testifies they are willing to step back and allow the commission to adopt rules instead of pursuing HB 3640 (EXHIBIT A). States they do not want a drawn out administrative rule process, but would accept an opportunity to address their priority concerns and the need to create a more balanced process at the Public Utility Commission (PUC). States that the AOI Board did take a position on staff recommendation to let the new commission work and to allow them to review AOI's concerns and develop a process to make changes either in rule or statute next session.
048	Brandis	States that rate mitigation perhaps cannot be addressed in rules. States that the committee will hear that the language they propose is unconstitutional and the PUC already has the authority to mitigate rates. Comments on rate increases in October 2001 and feedback from companies that they will not expand their operations or employment because of the energy costs. States it is not just about prices; it is about how prices cannot be predicted in the next six months. Comments on the process and results of mitigation of the October 2001 rates.
090	Lee Beyer	PUC Commissioner. States he thinks they have addressed a lot of the issues. What is most important is that those who

		participate should feel the process was fair and the commission was acting in their best interest. States they will meet with groups in a more informal process and see if they can resolve the issues. States the PUC has the authority to adopt rules. Comments on a 1-1 tie vote of the commissioners, and that they have adopted a rule to prevent that from happening again. Comments on the energy crisis in 2000-2001. The commission's responsibility is to set just and reasonable rates. States they have tried to constrain some of the expenditures the utilities have made.
	Beyer	Gives example of increase in natural gas prices and the utility having to cover the costs. States they have the authority to mitigate the costs. Explains "mitigation."
145	Beyer	Explains that the commission can only make a decision based on the evidence that is introduced into the record. States that nobody raised the mitigation issue in the case, that notification to customers was not adequate, and he is surprised the industries did not do a better job of communicating with their customers. Believes everybody will now do a better job than in the past because nobody wants to go through 2000-2001 again.
175	Beyer	States that they have scheduled a meeting and notified everybody knowledgeable in the natural gas industry so everyone has the opportunity to understand what is happening in the market place. States that the only reason the PUC exists is consumer protection.
190	Beyer	States they have dealt with these issues in HB 3575 and the commission has not taken a position on HB 3640, and is not sure there is a need for the bill. The statutory language on mitigation is somewhat vague and calls for interpretation and this language is equally vague. States that the difference between the two is the existing language has been defined by judicial decisions.
194	Rep. Verger	Comments that Section 2 of the bill addresses attendance of the commission at the hearings. Asks what the attendance rules are.
	Beyer	States there have not been a rule. The commission generally does business through a written record. Comments on previous legislation and the process of making decisions.
223	Rep. Verger	Asks if the response from the commission will be in a report with no face-to-face communication.
	Beyer	States there probably would not be contact in a phone case where a customer is complaining and that a commissioner probably would not be handling it. It is delegated to the administrative law judges. On large rate cases; there is a different process. It is more of a judicial process. The PUC issues written orders addressing the issue, what each party has addressed, and the commission's finding on that record.
255	Rep. Verger	Asks if there is an appeal process if she does not like the decision.
	Beyer	Explains the appeal process through the courts.
275	Rep. Verger	Asks if there is a place in the appeals process for consideration of the economic impact of the decision by the commission.
287	Beyer	States no, it is not provided for in the statutory language. States that some states allow that and comments on the process in other states.
302	Rep. Monnes	Asks who determines who an expert witness is.

	Anderson Beyer	Responds that the parties who pay for the expert witness determines that.
	Rep. Monnes Anderson Beyer	Asks how information on the decisions is provided to businesses. Explains it is pretty much like a court decision. Notes that all their decisions are on the web.
350	Rep. Monnes Anderson Beyer	Asks if all entities know when the commission will be establishing a rate change. States most will get the information from coverage by the media. Adds that people on the notification list will get notification.
345	Brandis	States that not everybody knows what is going on in a rate case. Explains their knowledge during the rate change. States that she believes everyone agrees there needs to be more communication.

TAPE 82, A

030	John DiLorenzo	Portland General Electric. Testifies in opposition to HB 3640. They believe the bill is an example of how to not address concerns during an energy crisis. Comments on HB 3575 and HB 3614.
053	DiLorenzo	Comments on the 2001 rate increase and customer discount in winter of 2002. Comments on the <u>Hope</u> case and the constitutional floor for rate of return.
110	Chair Doyle Shawn Miller	Advises witnesses that the bill will not move forward. PacificCorp and Pacific Power. States they appreciate the issues brought forward and have committed to working with their customers.
	Gary Bauer	Northwest Natural. Comments on the rate setting processes. Adds that they notify their customer because they want them involved. States they are also committed to working with their customers.
161	Chair Doyle	Closes the public hearing on HB 3640 and opens a public hearing on HB 3154.

HB 3154 – PUBLIC HEARING

190	Don Eubank	Chief of Police, City of Stayton and Interim Director of the 9-1-1 center in Stayton. Testifies in support of HB 3154 (EXHIBIT A).
222	Gerry Aboud	Mayor, City of Stayton. Testifies in support of HB 3154. States they do not think forced consolidation is good for communities. It adds one more level in answering calls and takes more time to respond to emergencies. States that cities can consolidate if they feel it is in their best interest.
235	Rep. Verger	Comments on meeting held in Stayton and support of the Stayton community.
231	Chair Doyle Eubank	Asks how many attended the meeting. Responds that approximately 150 people were in attendance.
255	Rep. Jeff Kruse	District 7. Testifies in support of HB 3154. States he is in support of the HB 3154-1 amendments (EXHIBIT B). Explains the deletion of the sections of 2001 laws.
274	Rep. Kruse	Comments on the four call centers in Lane County and the mandate to consolidate creating turf battles. This bill puts the statute back to where it was two years ago.
299	Rep. Barnhart	Comments on the locations of centers and states that it doesn't always make sense to consolidate.

	Rep. Kruse	States this bill is appropriate at this time.
	Chair Doyle	Comments that the public safety community basically turned on itself because of consolidations.
332	Rep. Kruse	Comments on issues in the communities.
391	Michelle Deister	League of Oregon Cities (LOC). Testifies in support of HB 3154 with the HB 3154-1 amendments. States that the amendments make HB 3154 identical to other bills submitted by legislators from throughout the state that would maintain funding for the current 9-1-1 centers and system and insure the safety of Oregonians. States that there has been discussion about consolidation this session and the operations of system, but until the legislature adopts inter operability as a policy and until questions about how that system will work and be funded are answered, they feel it is important that the legislature consider HB 3154.
448	C. Ray Jones	City of Hermiston. Reads letter from Hermiston Mayor Bob Severson in support of HB 3154 and the HB 3154-1 amendments. Also submits report, "PSAP Issues for Legislators' Consideration" by the City of Milton-Freewater and City of Hermiston (EXHIBIT C).
478	Jones	Adds that the Hermiston PSAP is very critical at the chemical weapons depot, and that consolidation could cause a dangerous situation for their citizens.
TAPE 81, B		
007	Rodger L. Bennett	City Manager, City of Florence and Administrator for Lane County PSAPs. Testifies in support of HB 3154 and the HB 3154-1 amendments (EXHIBIT E).
039	Chair Doyle	Closes the public hearing and opens a work session on HB 3154.
<u>HB 3154 – WORK SESSION</u>		
040	Rep. Flores	MOTION: Moves to ADOPT HB 3154-1 amendments dated 6/16/03.
044	Rep. Monnes	Asks what the monies can be used for after they are transferred.
049	Anderson Cindy Robert	City of Medford. Explains there is no money in the fund; it was taken out during one of the special sessions and used for other purposes.
063	Rep. Verger	Comments she is one of five who introduced bills and the HB 3154-1 the amendments accomplish what several had hoped to accomplish.
068		VOTE: 7-0-0
	Chair Doyle	Hearing no objection, declares the motion CARRIED.
072	Rep. Flores	MOTION: Moves HB 3154 AS AMENDED to the floor with a DO PASS AS AMENDED recommendation and the SUBSEQUENT REFERRAL to the committee on Ways and Means BE RESCINDED.
076	Chair Doyle	Explains that this bill has no fiscal impact because it just repeals the mandate.
080	Rep. Close	Comments on serving on Palestine Rural Fire Board north of Albany and communication in fire situation.
066	Chair Doyle	States he thinks the meeting in Stayton was probably the best evidence of bringing an issue to the attention of the legislature.
120		VOTE: 7-0-0

	Chair Doyle	AYE: In a roll call vote, all members present vote Aye. The motion CARRIES. REP. DOYLE will lead discussion on the floor.
120	Chair Doyle	Closes the work session on HB 3154 and opens a work session on a proposed House of Representative rule change.
<u>HOUSE RULE 2.05 – WORK SESSION</u>		
138	Rep. Flores	MOTION: Moves to ADOPT the proposed change to House Rule 2.05 dated 6/17/03 (EXHIBIT E).
	Rep. Barnhart	Comments on current rule that allows for adequate notice for members of the body to have an overnight look at the proposal. Believes the amendment would allow a vote to be taken immediately and cannot think of any reason the House would need to amend its rules with that short notice. States that if action needs to be taken immediately, the Rules can be suspended by a two-thirds vote. This amendment makes no sense and seems to violate one of the general principles of parliamentary procedure.
170	Rep. Verger	States she concurs with Rep. Barnhart. Comments that it is a delay of only one day prior to a vote, which does not give the members a great deal of time and she does not understand the need for it.
180	Rep. Close	Comments that she supports the amendment, and comments on members walking out to deny a quorum because of legislation that will come before them. Thinks it is important to try to deal with that increasing problem and this amendment would do that.
188	Chair Doyle	Comments on business to come before the House. Notes that as the rule states any rule change must come through this committee and notice is given to the entire body of the proposed rule change. States the amendment only removes the requirement that an amendment of a rule lay on the table for a day.
227	Chair Doyle	Adds that a second amendment has been proposed to remove the referral of budget measures to Ways and Means but that is not being considered today. States that the Speaker is looking for more flexibility in managing the budget situation and negotiations.
240	Rep. Monnes Anderson	Comments on the ability of the body to suspend the rules by a two-thirds vote, and asks why this rule needs to be changed.
255	Chair Doyle	Explains that the requirement of a two-thirds vote of the body is not applicable on a rule change that comes through this committee.
284		VOTE: 4-3-0 AYE: 4 - Backlund, Close, Flores, Doyle NAY: 3 - Barnhart, Monnes Anderson, Verger The motion CARRIES.
	Chair Doyle	
297	Rep. Flores	MOTION: Moves HR 2.05 be sent to the floor with a BE ADOPTED AS AMENDED recommendation.
300		VOTE: 4-3-0 AYE: 4 - Backlund, Close, Flores, Doyle NAY: 3 - Barnhart, Monnes Anderson, Verger
312	Chair Doyle	The motion CARRIES. REP. DOYLE will lead discussion on the floor.

315	Chair Doyle	Closes the work session on the amendment to HR 2.05.
318	Chair Doyle	Announces that the committee will not meet on Wednesday and adjourns the meeting at 2:23 p.m.

EXHIBIT SUMMARY

- A – HB 3154, prepared statement, Don Eubank, 2 pp**
- B – HB 3154, HB 3154-1 amendments, staff, 1 p**
- C – HB 3154, prepared statement and report, C. Ray Jones, 10 pp**
- D – HB 3154, prepared statement, Rodger Bennett, 2 pp**
- E – House Rules, amendment to HR 2.04, staff, 2 pp**