

## SENATE COMMITTEE ON PUBLIC AFFAIRS

July 02, 2001 Hearing Room 343

3:00 pm Tape 23

**MEMBERS PRESENT:**        **Sen. Verne Duncan, Chair**  
                                  **Sen. Rick Metsger, Vice-Chair**  
                                  **Sen. Margaret Carter**  
                                  **Sen. Bev Clarno**  
                                  **Sen. Ken Messerle**

**TAFF PRESENT:**            **Janet Adkins, Administrator**  
                                  **Nancy Masee, Committee Assistant**

**MEASURE/ISSUES HEARD:**  
                                  **HB 3696B Public Hearing and Work Session**

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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.

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<b>TAPE/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 23, A</b>		
003	Sen. Verne Duncan	Chair. Opens meeting at 3:15 pm. Opens public hearing on HB 3696B.
<b>HB 3696B PUBLIC HEARING</b>		
008	Janet Adkins	Committee Administrator. Explains HB 3696B and -15 amendments. <b>(EXHIBIT A)</b> .
025	Brian Boe	Portland General Electric (PGE). Presents testimony on HB 3696B. Supports HB 3696B. Allows alternative form of regulation. The A4 is an incentive plan allowing utilities, PUC, and interested parties to come to agreement on automatic price adjustments without a traditional rate case that could last months. Supports the -B15 amendments. <b>(EXHIBIT B)</b>
058	Roy Hemmingway	Public Utility Commission (PUC). Testifies HB 3696B is discretionary on part of PUC. Support HB 3696B with the -15 amendments. <b>(EXHIBIT C)</b>
098	Mark Hellman	PUC. Explains background of HB 3696B on the House side. The -15 amendments were worked out on the Senate side.
110	Paul Graham	Oregon Department of Justice (ODOJ). Is here to answer any legal questions.
120	Hemmingway	Explains flexibility of HB 3696B available to PUC.
135	Sen. Messerle	Asks if the public utilities are represented.
143	Tom O'Connor	Municipally-owned electric utilities are neutral on this bill.
149	Hemmingway	PUC does not regulate publicly-owned and municipal utilities.
165	Chair Duncan	Asks if it is possible to reduce the ratepayers costs by this bill.
170	Hemmingway	Responds it is possible.
178	Sen. Metsger	Requests clarification that a customer who opts out bears the cost.
181	Hemmingway	Explains what happens when customers opt out of the plan.
190	Chair Duncan	Closes public hearing on HB 3696B. Opens work session.
<b>HAB 3696B WORK SESSION</b>		
195	Sen. Metsger	<b>MOTION: Moves to ADOPT HB 3696B-15 amendments</b>

dated 6/22/01.

VOTE: 5-0

197            Chair Duncan  
199            Sen. Metsger

Hearing no objection, declares the motion CARRIED.  
MOTION: Moves HB 3696B to the floor with a DO PASS  
AS AMENDED recommendation.

VOTE: 5-0

200            Chair Duncan

Hearing no objection, declares the motion CARRIED.

SEN. CARTER will lead discussion on the floor.

202            Chair Duncan

Adjourns meeting at 3:30 pm

Submitted By,

Reviewed By,

Nancy Masee,  
Committee Assistant

Administrator

Janet Adkins

**EXHIBIT SUMMARY**

**A – HB 3696B, -15 amendments, staff, 3 pp**

**B – HB 3696B, written testimony, Brian Boe, 2 pp**

**C – HB 3696B, written testimony, R. Hemmingway, 3 pp**