

HOUSE COMMITTEE ON POWER DEREGULATION WORK GROUP

Friday, March 7, 1997 Hearing Room 137

3:00 p.m. Tapes 33 - 35

MEMBERS PRESENT:

Rep. Jim Welsh, Chair

Rep. Cynthia Wooten, Vice-Chair

STAFF PRESENT:

John Larson, Administrator

Mieko Aoki, Committee Clerk

MEMBERS OF PUBLIC PRESENT:

Jim Anderson, PacifiCorp

Sarah Baker-Sifford, Oregon Rural Electric Cooperative Association

Gary Conklin, Oregon Energy Coalition

Diane Cowan, Oregon People's Utility District Association

Ron Eachus, Oregon Public Utility Commission

Jason Eisdorfer, Fair and Clean Energy Coalition

James Gardner, Enron

Libby Henry, Eugene Water and Electric Board

Denise McPhail, Portland General Electric

Daniel Meek, Energy Electrons Environment

Tom O'Connor, Oregon Municipal Electric Utilities

John Savage, Office of Energy

MEASURE/ISSUES HEARD:

DEVELOPMENT OF CONSENSUS ON BILL

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 33, A		
009	Chair Welsh	Calls meeting to order at 3:06 p.m.
		Proposes postponing discussion on consumer protection and registration procedure.
015	Ron Eachus	Mentions the Department of Energy and Public Utility Commission (PUC) will review consumer protection provision together to create recommendation. Suggests the following: * postponing discussion on details of section 28 * gathering scattered consumer protection provisions to section 28 * discussing third party marketer's issues
062	Eachus	Suggests discussing sections 19, 20, 21 with certification and licensing issues.
077	Eachus	Suggests discussing customer protection and third party marketers, and conceptualizing scattered consumer protection provisions.
092	Eachus	Describes the current situation of third party marketers and suggests establishing regulations for them.
120	Gary Conklin	Presents Oregon Energy Coalition's proposal on section 28, Consumer Protection.
158 173 194	Work group	Discusses section 28. * regulating providers with consistent state-wide system assigned by the commission * submitting the bill * providing records of consumer complaints
215	Conklin	Presents proposal of section 28 (5) including the language "consumer complaint."
235	Tom O'Connor	Asks for responsibility of developing and governing rules.
261	Eisdorfer	Summarizes the process the work group has discussed during the meeting.
276	Chair Welsh	Suggests postponing discussion on section 28, Consumer Protections, Registration Procedure and combining with all the relating sections.
307	Eachus	Suggests characterizing issues before discussion.
338	Chair Welsh	Asks if Consumer Owned Utilities (COU) are ready for discussion.

345	Diane Cowan	Says postponing discussion to next Wednesday.
385	Chair Welsh	Announces future discussion schedule.
424	Chair Welsh	Moves on to section 13, Reciprocity.
TAPE 34, A		
020	Cowan	Reads Oregon People's Utility District Association's proposal on section 13.
044	Work group	Discusses language of section 13.
066		* location of the word "Oregon"
102		* replacing "to deliver electricity" with "sells electricity"
170		* deleting "distribution facilities"
186		* inclusion of dates
198	Chair Welsh	Announces agreement on leaving dates out. Suggests moving on to next issue.
205	Work group	Continues discussing inclusion of dates.
253		* necessity of dates to clarify the access to market. * inclusion of date is a mandatory issue
268	Work group	Discusses
282		* how to deal with community requests for providing records
307		* COU's position regarding inclusion of date
319		* establishing consensus agreements
369		* suggested date and year of starting programs * COU's position is depending on community opinion
		Continues discussion.
383	Eachus	Suggests moving on to next issue.
412	Chair Welsh	Comments on importance of dates for COU.
426	Work	Discusses reciprocity and open access.

	group	* relationship of reciprocity to opening access
TAPE 33, B		
007 020	Work group	Continues discussing reciprocity. * entering other's territory * importance of reciprocal agreement
033	Chair Welsh	Says there should be reciprocal agreements among utilities.
040	Jim Anderson	Suggests discussing section 13.
048	Eachus	Suggests voting and moving on to next discussion.
061	Rep. Wooten	Suggests Daniel Meek should share information on California restructuring.
063	Daniel Meek	Presents the information on California.
076	Chair Welsh Vote	Calls for vote. NO to include reciprocity reference to the effective date of direct access for all retail customers
087	John Larson	Reads amended section 13.
096	Denise McPhail	Comments some language needs to be corrected legally.
129	McPhail	Introduces the word "related party" submitted by her attorney.
143 153 162 167 199	Work group	Resumes discussion on reciprocity issues. * relationship of reciprocity to affiliates * legal control of distribution utilities * flow of revenue * example of Pacific Northwest Generating Cooperative (PNGC) * flow of electricity distribution system * distinction of wholesale and retail providers
218	Larson	Reads amended section 13 again.
237	Chair Welsh	Clarifies the definition on reciprocity.
240	Anderson	Says section 13 should include comparability.

260	Chair Welsh	Mentions work group agreed on this language.
265	Eachus	Addresses his concerns about reciprocity pilot programs.
315	Chair Welsh	Moves amending "comparability."
318	McPhail	Comments that comparability is a price related issue.
325	Chair Welsh	Says it is an access related issue. Proposes voting on "comparability" and moves on to next issue.
355	Chair Welsh	Suggests leaving "comparability" out.
357	Larson	Reads amended section 13.
369	Chair Welsh Vote	Calls for vote. YES to amended section 13.
376	Chair Welsh	Notes revisiting reciprocity provision.
383	Chair Welsh	Moves on to section 20, Reliability and Quality of Service.
389	Larson	Reads section 20.
406	Chair Welsh Vote	Calls for vote. YES to include statutory provision on reliability and quality of service in the final package.
TAPE 34, B		
014	Eachus	Presents PUC's proposal as follows: * Adds "safety" in the beginning of the section * PUC will not amend ORS 757.035
030	Cowan	Presents proposal. States deleting "quality" and adding "Safety and reliability of service." Asks Eachus about the language for section 20 (2).
041	Eachus	Says it is from Strawman Bill, section 28 (2).
045	Work group	Discusses the term "quality."
090	Larson	Mentions that he would avoid introducing the language "consumer owned utilities" because it was not the defined term of Strawman Bill.
138	Larson	Reads amended section 20 (1).
143	Larson	Continues reading amended section 20 (1) and (2).
165	McPhail	Comments adopting rules and standards does not maintain investment.
200	Larson	Reads amended section 20 (2).

215	Chair Welsh Vote	Calls for vote. YES to amended section 20, Reliability and Quality of Service.
237	Chair Welsh	Moves on to section 31 and 32.
246	Libby Henry	States a typographical error on section 31 (21). Asks how PUC protects confidential records.
284 295	Work group	Discusses sections 31 and 32. * existing conflict between protecting customers' records and opening access * disadvantages to customers * limiting access to customers' records
336	Gardner	States this issue would be a normal Attorney General's appeal process.
343	Henry	Asks Eisdorfer if he prefers to have rules adopted by a board to restrict the confidentiality of the information.
346	Eisdorfer	Says no.
361	Henry	Says it was modeled after Oregon Health Science University (OHSU) and they also had same situation last legislative session. They have competition language to allow keeping records confidential.
370	Chair Welsh Vote	Calls for vote. YES to sections 31 and 32, having to do with public records, should be incorporated in the final package after correcting typographical error in section 31-(21) replacing "completely" with "competitively."
397	Chair Welsh	Confirms schedules and asks for suggestions for discussion issues of future meetings.
426	Larson	Says distributing amended table of contents.
TAPE 35, A		
001	Work group	Discussion of issues for future meetings.
018		* Postpones discussion on sections 7, 8, 9
033		* Combine sections 7, 8, 9, and 27
068	Chair Welsh	Announces discussion issues for next meeting.
091	Chair Welsh	Adjourns the meeting at 5:02 p.m.

Submitted By, Reviewed By,

Mieko Aoki, John Larson,
Committee Clerk Administrator