

Please Support SB 967

Protects Ratepayers – Protects Oregon’s Economy

What is the Issue?

Senate Bill 408 was passed in 2005 in the wake of the Enron bankruptcy and required a “true up” of taxes collected by utilities in their rates with what taxes were ultimately paid to government. In practice, SB 408 has become cumbersome to administer, and has created new costs and uncertainty for both utilities and ratepayers

What does SB 967 do?

SB 967 is the product of a comprehensive stakeholder workgroup that came together to find a new way to protect Oregon utility customers and ensure that tax expenses are accurately reflected in utility prices. This legislation preserves SB 408’s original consumer protection goals by:

Ending rate true ups , starting with the 2010 tax year,

Ensuring utility prices accurately reflect known tax liabilities, changes to policy and tax benefits the utility receives,

Ensures that an Oregon utility cannot be used as a corporate tax shelter by examining the tax payment of Oregon utility company owners,

Continues to protect the sensitive tax information of unregulated affiliate businesses of a utility,

Requires the Oregon Public Utility Commission to promulgate rules to identify any tax documents necessary for future utility rate cases, and

Directs the OPUC to consider the tax effects when approving the acquisition or merger of an Oregon utility, effectively assuring that the situation that precipitated SB 408 will not occur in Oregon in the future.

Passage of SB 967 will provide the OPUC with additional authority to protect utility customers while also increasing certainty in Oregon utility prices. Passage will prevent future tax surcharges that will cost Oregonians more for their electric and gas service.

Who Supports SB 967?

SB 967 is supported by the Citizens’ Utility Board, the Industrial Customers of Northwest Utilities, Portland General Electric, Avista Utilities, PacifiCorp, the Oregon State Association of Electrical Workers, and Cascade Natural Gas.