



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris
FROM: Jason Heuser, Public Policy and Government Affairs Program Manager
DATE: November 21, 2025
SUBJECT: 2026 Legislative Session Agenda and Resolution No. 2523
OBJECTIVE: Information

Issue

EWEB monitors, influences, and strategically plans around legislative and regional policy issues. The Oregon Legislature convenes annually – for approximately six months in odd numbered years and almost two months in even numbered years – to enact laws and to set and adjust the biennial budget for the State of Oregon. EWEB has an active advocacy presence during legislative sessions to represent the interests of EWEB and its customers. The 2026 Oregon Legislative Session will begin February 2, preceded by an orientation period and informational hearings in January, and conclude on or before March 9.

Background

The Board adopts general policy directives for advocacy on legislation and other public policy matters, which guide the work of EWEB's lobbying activities. When political considerations test the applicability of those directives, the General Manager makes a determination as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm policy directives or direct staff to make necessary adjustments.

Discussion

2026 Legislative Session Agenda

Cap and Trade – NEUTRAL – INFLUENCE GUIDED BY EWEB CARBON POLICY PRINCIPLES

Informal ad hoc conversations have commenced on possible design elements for a statewide economy-wide Carbon Emissions Cap and Trade program that could link to other regional programs. While it is considered a big stretch for the legislature to complete such an ambitious policy in a short legislative session, there will likely be at least a bill that receives public hearings and official consideration. EWEB has received some opportunities to engage with interested stakeholders to discuss how best to design an Oregon program. The design elements EWEB has observed in bill drafts include:

- Point of Regulation: Stakeholders seem resigned to the regulation of emissions from in-state electric generation directly at the source and emissions from imported electricity at the highest level possible – “the first jurisdictional deliverer”. This would be the most efficient method to regulate and reduce electric sector emissions and should aid in facilitating successful regional linkage. It is a good improvement over a hybrid mid-stream electricity point of regulation used in 2019/2020

legislation and superior to the downstream load-based approach Oregon considered in 2017.

- **Regional Linkage:** Some work remains to be done to operationalize definitions of “specified sources” and “covered entities” in the electric sector that are consistent or deviate only slightly from other regional programs in order to facilitate linkage. There are some issues that are complex and require special troubleshooting but should likely be solvable.
- **Allowance Allocations:** it appears that there is a path for all Oregon electric utilities, including consumer-owned utilities like EWEB, to receive free carbon allowance allocations. For investor-owned utilities allowance allocation will likely be predicated on their successful compliance with the Clean Electricity Standard (HB 2021 from the 2021 Oregon Legislative Session, applicable only to IOUs) and would be designed to avoid double-regulation. For consumer-owned utilities allowances would likely be based on forecasted load and emissions, although details still need development or state agency rulemaking in implementation of legislation.
- **Revenue Recycling:** current drafts do not speak to the use of revenues from carbon allowance auctions. EWEB has an interest in advocating for revenue recycling that will offset the cost to society from carbon pricing by directing revenue to help pay for investments to reduce carbon emissions.

EWEB Staff’s recommendation is to remain neutral on the bill until more is known about policy design choices, chiefly the extent to which the policy employs revenue recycling. EWEB will engage in outreach with legislators to influence design choices to be as consistent with EWEB’s adopted carbon policy principles as possible.

Reintroduction of Solar Consumer Protection Legislation – SUPPORT

The unsuccessful solar consumer protection legislation from 2025 will be reintroduced as a committee bill in the House Energy and Environment Committee. The same work group that reached consensus in the 2025 sessions is working together again to make some tweaks and support this bill as a coalition. Key components include:

- **Model Disclosure:** a model disclosure standard will require a contractor to disclose to a consumer information including several projects specifications, estimated utility bill savings, acknowledgement that without a battery a solar system may not power a home during a power outage, etc.
- **Right of Recission:** a solar customer may rescind a contract within 72 hours (to address high pressure sales tactics)
- **Strengthening DOJ Enforcement:** a model disclosure will enhance DOJ’s enforcement of the Unfair Trade Practices Act.
- **Private Right of Action:** DOJ has finite enforcement resources, creating a private right of action for damages can be a deterrent to bad actors.

Recommendation/Requested Board Action

Approve Resolution No. 2325.

**RESOLUTION NO. 2523
DECEMBER 2025**

**EUGENE WATER & ELECTRIC BOARD
2026 LEGISLATIVE SESSION**

WHEREAS, the 2026 Oregon Legislative Session will convene on February 2, 2026;
and

WHEREAS, the Eugene Water & Electric Board (EWEB) will continue to participate in the legislative process on behalf of its customers; and

WHEREAS, the Board has traditionally adopted positions and guidelines which provide general direction for purposes of supporting or opposing specific legislation; and

WHEREAS, the Board again desires to set forth such legislative directives.

BE IT RESOLVED that the Eugene Water & Electric Board adopts the attached legislative agenda, which includes the following issues and goals:

1. Influence the design of a greenhouse gas emissions cap and trading program to be consistent to the greatest extent possible with EWEB's adopted carbon policy principles
2. Support solar consumer protection measures to improve transparency and disclosure;

WHEREAS, new and unanticipated legislation can emerge each legislative session.

BE IT FURTHER RESOLVED that the Eugene Water & Electric Board goes on record supporting legislation which generally:

1. Preserves and enhances local control;
2. Complements or improves programs that are cost-effective to our customers; and
3. Preserves, conserves, and restores our natural environment in an equitable and cost-effective manner.

BE IT FURTHER RESOLVED that the Eugene Water & Electric Board will oppose legislation which generally:

1. Withdraws the capability of the Board to best serve EWEB's customers;
2. Duplicates existing laws, therefore complicating the execution of the Board's duties by state or federal mandate;
3. Imposes fees, assessments or procedures that impede the Board's ability to provide high-quality and cost-effective service.

DATED this 2nd day of December 2025.

THE CITY OF EUGENE, OREGON

Acting by and through the
Eugene Water & Electric Board

President

I, ANNE M. KAH, the duly appointed, qualified, and acting Assistant Secretary of the Eugene Water & Electric Board, do hereby certify that the above is a true and exact copy of the Resolution adopted by the Board at its December 2nd, 2025 Regular Board Meeting.

Assistant Secretary