



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Morris, Schlossberg, and Barofsky
FROM: Jason Heuser, Public Policy and Government Affairs Program Manager
DATE: January 26, 2026 (February 3, 2026 Board Meeting)
SUBJECT: 2026 Legislative Session Update
OBJECTIVE: Information

Issue

EWEB monitors, influences, and strategically plans around legislative and regional policy issues.

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.

The 2026 Oregon Legislative Session will convene on February 2 and adjourn no later than March 9.

Discussion

Status of EWEB Legislative Agenda as Adopted in December

Cap and Trade – MONITOR

In late 2025 there were reports from state legislators that the prospect of a Greenhouse Gas (GHG) emissions cap and trade program advancing successfully was not probable. However, there was expected to be a bonafide cap and trade bill introduced with details of policy design choices outlined, that would be given robust consideration in public hearings and perhaps advance out of committee.

In recent weeks there has been a shift in expectations, and it is believed that there will be informational hearings on cap and trade but that detailed design elements are not expected to be presented in any authorization bill. Still, informational hearings could be utilized to direct subsequent interim efforts to develop legislation for consideration in 2027, which could include an advisory group/task force to begin work this year on a straw proposal the legislature could utilize.

Solar Consumer Protection Legislation (LC 283, Bill Number Pending) – SUPPORT

The unsuccessful solar consumer protection legislation from 2025 will be reintroduced as a committee bill (expected to be HB 4029) in the House Energy and Environment Committee. With key involvement from the

Oregon Solar Energy Industry Association, Oregon Consumer Justice, and EWEB in the work group that developed this legislation, the bill is expected to draw widespread support and stands a strong chance of successful passage this session.

Key Features:

- **Disclosure:** a model disclosure standard will require a contractor disclose to a consumer information including several project 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.

Emerging Issues

Virtual Power Plants (LC 265, Bill Number Pending) – MONITOR

Distributed Power Plants are dispersed but centrally managed groups of customer distributed energy resources (DERs) that provide supply, reduce demand, and provide services to the grid when needed by a utility company. Aggregators (proposed in the legislation to be a non-utility third party aggregator) manage communication, dispatch, and control to deploy a large number of resources to provide the required grid services in the required quantity at the time the grid requires it.

LC 265 only applies to investor-owned utilities – it would direct them to offer a tariff for virtual power plants that meets criteria outlined on the bill and implemented at the Oregon Public Utility Commission (OPUC) that regulates Oregon IOUs.

Balcony Solar (LC 75 Bill Number Pending) – NEUTRAL/AMEND

Plug-in solar, sometimes called balcony solar, is a plug-and-play solar panel with a simple installation compared to rooftop solar. The panel features a micro-inverter and plugs into a standard outlet, providing up to 800 watts, enough to run a small fridge or a laptop. It is a lower cost solar option because it reduces “soft” costs (non-hardware costs) of rooftop solar. The plug-in panels are portable, so renters can take them when they move. There are many places to plug-in solar panels, such as on a balcony, on the top of a carport, or on an RV, etc.

An estimated 3 million balcony solar kits are in operation in Germany. In the United States, Utah's legislature unanimously passed a bill in 2025 that would exempt portable solar devices like balcony solar from state regulations that require interconnection agreements with the local utility. LC 75 is expected to follow an approach similar to Utah, including a provision that plug in solar panels without a utility interconnection are not eligible for net metering.

Amendments would also be needed to indemnify electric utilities when plug in solar panels are used by customers. Additionally, it should be required that plug in solar panels incorporate UL-listed anti-islanding

protection and automatic shutoff that isolates the device from the building electrical system during any loss of utility power, preventing any possibility of back feed onto distribution lines.

Nuclear Energy Study (LC 309, Bill Number Pending) – MONITOR

This bill would direct the Oregon Department of Energy to conduct a study on nuclear energy, including advanced nuclear reactors. ODOE would be directed to engage with tribal governments, consult with certain state agencies and organizations and utilize funding from federal, private and other public sources to carry out the study and submit the report to the interim state legislative committees related to energy not later than February 15, 2027.

Recommendation/Requested Board Action

These are informational updates, and no action is required at this time.