



SENATE MAJORITY OFFICE

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Oregon Senate Passes Bill to Align Utility Profits with Public Interest

Senate Bill 688 will modernize outdated utility regulations to prioritize affordability, wildfire safety, and clean energy

SALEM, OR – The Oregon Senate has passed Senate Bill 688, a major update to how the state regulates for-profit electric utilities. The bill gives the Oregon Public Utility Commission (PUC) new tools to hold utilities accountable—not just for spending money, but for delivering results that matter to Oregonians, like lower bills, grid reliability, and public safety.

For nearly a century, Oregon’s utility rate-setting system has rewarded utilities simply for how much they spend—not how well they serve the public. That old model was designed in the 1930s to help build out the electric grid, but today’s challenges demand a new approach.

“Right now, monopoly utilities in Oregon are making record profits, while everyday families are struggling to pay their power bills,” said **Senator Khanh Pham (D – Outer SE Portland)**, chief sponsor of the bill. “SB 688 is about making sure utilities are rewarded for keeping us safe, lowering costs, and reducing climate pollution—not just spending more money. It’s time their profits are tied to real results for the people they serve.”

Performance-Based Regulation (PBR) will allow the PUC to use clear performance targets—along with incentives and penalties—to ensure utilities are meeting the public’s priorities. This could include reducing greenhouse gas emissions, improving service for low-income households, or strengthening the grid during wildfire season.

The bill has received strong support from the Citizens’ Utility Board, the League of Oregon Cities, and leading environmental and climate advocates. Together, they say it’s time to hold utilities accountable for performance—not just profit.

Two Republicans joined Senate Democrats in supporting Senate Bill 688. The measure passed in a vote of 19 to 10, and now moves to the Oregon House for consideration.

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