

# State Corporation Commission

## 2003 Fiscal Impact Statement

**1. Bill Number** HB2453

**House of Origin** ☒ Introduced ☐ Substitute ☐ Engrossed

**Second House** ☐ In Committee ☐ Substitute ☐ Enrolled

**2. Patron** Parrish

**3. Committee** Commerce and Labor

**4. Title** Electric utility restructuring; regional transmission entities.

**5. Summary/Purpose:**

Electric utility restructuring; regional transmission entities. Eliminate the January 1, 2001, deadline by which incumbent electric utilities with transmission capacity were to have joined or established a regional transmission entity. Such incumbent electric utilities shall not transfer ownership or control of, or operational responsibility over, any transmission system to any person without the State Corporation Commission's prior approval, following notice and hearing, and a finding that the transfer satisfies specific conditions. The Commission's rules and regulations under which an incumbent electric utility may transfer control, ownership or responsibility to a regional transmission entity are amended to eliminate the condition that they be consistent with ensuring the successful development of interstate regional transmission entities. New conditions require that transfers be consistent with (i) ensuring that consumers' needs for economic and reliable transmission are met and (ii) meeting the transmission needs of electric generation suppliers that do not own, operate, control or have an entitlement to transmission capacity. In addition, requests for approval of transfers shall include a study of their comparative costs and benefits, including an analysis of the economic effects of the transfer on consumers, including the effects of transmission congestion costs. If a proposed transfer does not satisfy a condition for approval, the Commission may require that the transmission system be upgraded prior to approving the transfer.

**6. No Fiscal Impact on state agencies**

**7. Budget amendment necessary:** No

**8. Fiscal implications:** No

**9. Specific agency or political subdivisions affected:** State Corporation Commission

**10. Technical amendment necessary:** Maybe. Subdivision 1 of §56 -579A adds language "following notice and hearing," however, §56 -579F adds on line 110 "after notice and an

opportunityforahearing.”Oneprovisionrequiresahearingandtheotherprovidesforan  
opportunityforahearing.Shouldthe ybethesameincetheproceedingwouldbethesame  
inbothinstances?

**11. Other comments:** None

**Date:** 01/16/03tel

cc:SecretaryofCommerceandTrade