

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 Passed Both Houses

4. Title Electric utility restructuring; regional transmission entities.

5. Summary/Purpose:

Delay the date by which incumbent electric utilities with transmission capacity must join a regional transmission entity (RTE). The Electric Utility Restructuring Act originally required utilities to join an RTE by January 1, 2001. This measure provides that utilities shall not join an RTE prior to July 1, 2004. Utilities are required to file an application to join an RTE by July 1, 2003, and to transfer management and control of transmission assets to the RTE by January 1, 2005, subject to State Corporation Commission approval. Prior to approving a request to join an RTE, the Commission must determine that the action will (i) ensure that consumers' needs for economic and reliable transmission are met and (ii) meet 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 shall include a study of comparative costs and benefits, including an analysis of the economic effects of the transfer on consumers and the effects of transmission congestion costs.

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: No

11. Other comments: None

Date: 02/27/03 tel

cc: Secretary of Commerce and Trade