

State Corporation Commission 2004 Fiscal Impact Statement

1. Bill Number SB117

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Watkins

3. Committee Commerce and Labor

4. Title Electric utility restructuring; minimum stay requirements; wires charges

5. Summary/Purpose:

Electric utility restructuring; minimum stay requirements; wires charges. Authorizes any large industrial or commercial customer that is returning to its incumbent electric utility or default provider after purchasing power from a competitive supplier to elect to accept market-based pricing as an alternative to being bound by the minimum stay period (currently 12 months unless otherwise authorized) prescribed by the State Corporation Commission. Customers exempted from minimum stay periods will not be entitled to purchase retail electric energy from their incumbent electric utilities thereafter at the capped rates unless such customers agree to satisfy any minimum stay period then applicable.

This bill also authorizes industrial and commercial customers, as well as aggregated customers in all rate classes, to switch to a competitive service provider without paying a wires charge if they agree to pay market-based prices if they ever return to the incumbent electric utility. Customers who make this commitment and obtain power from suppliers without paying wires charges are not entitled to obtain power from their incumbent utility at its capped rates.

6. No fiscal impact on state agencies

7. Budget amendment necessary: None

8. Fiscal implications: None on state agencies

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

10. Technical amendment necessary: None noted at this time

11. Other comments: No

Date: 01/12/04 / tel

cc: Secretary of Commerce & Trade