

State Corporation Commission 2009 Fiscal Impact Statement

1. Bill Number: HB2519

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Phillips

3. Committee: Passed Both Houses

4. Title: Electric utilities; over-recovery of fuel costs.

5. Summary: Electric utilities; over-recovery of fuel costs. Requires the State Corporation Commission (SCC) to review the fuel costs of utilities within six months of the effective date of any fuel factor increase that increases total residential rates by 20%. If the utility is, or is likely to be, in an over-recovery position by more than 5% with respect to fuel costs for the 12-month period for which the increase in the fuel factor was approved, the SCC may reduce the utility's fuel factor to correct the over-recovery.

6. Fiscal Impact Estimates: Minimal impact. See Item 8.

7. Budget Amendment Necessary: No

8. Fiscal Implications: Requires the State Corporation Commission to formally review utility fuel cost recovery within six month of a fuel factor increase under the circumstances described in the legislation. This requirement should have a minimal (if any) fiscal impact and is not anticipated to require new resources.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission

10. Technical Amendment Necessary: None

11. Other Comments: None.

Date: 3/5/09 T. Lamm

Cc: Secretary of Commerce and Trade