

## State Corporation Commission 2010 Fiscal Impact Statement

**1. Bill Number:** HB1237

House of Origin	<u>  X  </u>	Introduced	<u>    </u>	Substitute	<u>    </u>	Engrossed
Second House	<u>    </u>	In Committee	<u>    </u>	Substitute	<u>    </u>	Enrolled

**2. Patron:** Armstrong

**3. Committee:** Commerce and Labor

**4. Title:** Economic development incentive rates.

**5. Summary:** Economic development incentive rates. Requires certain incumbent electric utilities to offer electric service at an economic development incentive rate to certain nonresidential customers. To be eligible for an economic development incentive rate, a customer shall have a new load of at least 1,000 KW and either increase employment by at least 75 full-time equivalent employees per 1,000 KW of new load or make a capital investment of \$400,000 per 1,000 KW of new load. An economic development incentive rate provides eligible customers the option of either (i) a monthly credit of \$6 per KW for three years or (ii) a monthly credit of \$6 per KW for the first year, reduced by \$0.75 per KW in each of the following years of an eight-year term.

**6. Fiscal Impact Estimates:** Not available; see Item 8.

**7. Budget Amendment Necessary:** No

**8. Fiscal Implications:** House Bill 1237 would require the State Corporation Commission to adopt regulations and conduct individual proceedings for most electric utilities, including the cooperatives. Either additional staff or the use of outside consultants will be required.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** No

**Date:** 1/25/2010 TF