

State Corporation Commission 2013 Fiscal Impact Statement

1. Bill Number: HB1799

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

2. Patron: Lewis

3. Committee: Passed Both Houses

4. Title: Natural gas utilities; investments in qualifying projects.

5. Summary: Natural gas utilities; investments in qualifying projects. Exempts any natural gas utility that serves fewer than 1,000 residential customer and fewer than 250 commercial and industrial customers from the cap on the amount of investments in qualifying projects a natural gas utility may make. Under current law, a natural gas utility's annual investments in qualifying projects shall not exceed one percent of the utility's net plant investment that was used to establish base rates in its most recent rate case. Legislation enacted in 2012 established a mechanism for natural gas utilities to recover the costs of a qualifying project. A qualifying project is an economic development project for which, among other things, the utility has received a binding commitment from the developer or occupant of the proposed project regarding capacity or a financial guaranty from the developer or state or local government in the amount of at least 50 percent of the estimated investment to be made in the proposed project.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

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

10. Technical Amendment Necessary: No

11. Other Comments: None

Date: 2/20/13 SDL