

State Corporation Commission 2020 Fiscal Impact Statement

1. Bill Number: HB1451

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

2. Patron: Sullivan

3. Committee:

4. Title: Electric utilities; mandatory renewable energy portfolio standard.

5. Summary: Substitute: Replaces the existing voluntary renewable energy portfolio standard (RPS) program with a mandatory renewable energy portfolio standard program that requires each electric utility to generate or purchase increasing percentages of electric power that is generated from renewable energy sources. The required percentages start at 14 percent of the total electric energy sold in 2021. Thereafter the required percentages increase in steps until 2045 and thereafter, in which years 100 percent of the total electric energy sold is required to be renewable energy. The measure also requires that the sources of renewable energy be derived from one of several tiers, with required percentages varying over time. A utility that fails to comply with an RPS standard established for a year is required to pay a deficiency payment. The moneys paid as deficiency payments will be distributed by the Department of Mines, Minerals and Energy to programs for low-income, disability, veteran, and age-qualifying energy efficiency programs and renewable energy programs, energy efficiency measures for public facilities, and administrative costs. The measure also requires the State Corporation Commission to implement an energy storage deployment target of 2,700 megawatts by 2035.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: None on the State Corporation Commission

8. Fiscal Implications: There are no fiscal implications on the State Corporation Commission. In addition, the Department of Taxation reports the legislation would have no direct general fund revenue impact related to taxation. The Department also states it would not require administrative costs as a result of House Bill 1451.

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission, the Department of Mines, Minerals and Energy and the Department of Taxation.

10. Technical Amendment Necessary: No.

11. Other Comments: An amended version of the substitute passed the House on 2/11/20.