

State Corporation Commission 2007 Fiscal Impact Statement

1. Bill Number HB1647

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Cole

3. Committee Counties, Cities and Towns

4. Title Electric transmission lines; adds Stafford Cnty to list authorized to enter into agreement w/utilit.

5. Summary/Purpose: Undergrounding electric transmission lines. Adds Stafford County to the list of jurisdictions where the governing body is authorized to enter into an agreement with an electric utility that provides for an additional charge to be included in the utility bills of customers located in a special rate district. The proceeds from the charge will be used to cover the utility's additional costs of constructing, operating and maintaining proposed high-voltage transmission lines underground, rather than overhead.

6. Fiscal Impact Estimates are: Not quantifiable.

7. Budget amendment necessary: Not aware of necessity.

8. Fiscal implications: Persons within the special rate district may be significantly impacted. See 11.

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

10. Technical amendment necessary: Not aware of necessity.

11. Other comments: For needed transmission facilities, overhead construction is the current standard industry practice throughout the United States, with very limited exceptions. Typically, underground construction of transmission facilities is significantly more expensive (several times more) than the construction of viable overhead transmission alternatives. Accordingly, to the extend Stafford County would elect to form a special rate district and enter an agreement with the utility to pay for the additional cost of undergrounding transmission facilities, tax payers within that special rate district may be significantly impacted.

Date: 01/11/07 / tel

cc: Secretary of Commerce and Trade