

State Corporation Commission 2009 Fiscal Impact Statement

1. Bill Number: HB2506

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: Pollard

3. Committee: Commerce and Labor

4. Title: Energy efficiency programs.

5. Summary: Energy efficiency programs. Authorizes investor-owned electric utilities to recover, through a rate adjustment clause, the costs of designing and operating energy efficiency programs that have the effect of decreasing the total amount of energy used over time and of delaying the need for construction of new generation facilities. The utility may earn the same enhanced rate of return on energy efficiency programs that is currently provided for renewable powered generation facilities, as well as net lost revenues for the program's full service life.

6. Fiscal Impact Estimates: Not available. See Item 8.

7. Budget Amendment Necessary: None

8. Fiscal Implications: The bill provides for utility recovery of costs and incentives related to the design and implementation of energy efficiency programs that delay the need for construction of new generating facilities. The increased costs, plus the incentives, may be more than the savings resulting from such actions, which could potentially increase electric utility rates. There would be no fiscal impact on the State Corporation Commission as a result of this bill.

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

10. Technical Amendment Necessary: None

11. Other Comments: This bill is in the Energy Subcommittee.

Date: 2/2/09 D. Eichenlaub
cc: Secretary of Commerce and Trade