

State Corporation Commission 2010 Fiscal Impact Statement

1. Bill Number: HB1027

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: Electric utility rates; added returns.

5. Summary: Electric utility rates; added returns. Eliminates provisions of the Virginia Electric Utility Regulation Act that authorize investor-owned electric utilities to earn added basis points and other performance incentives that would increase the utility's fair combined rate of return on common equity above the rate determined by the Commission in biennial rate review proceedings. Currently, such utilities are authorized to return performance incentives and enhanced rates of return on common equity if they satisfy performance standards, make certain investments in generation facilities, and successfully participate in a renewable energy program.

6. Fiscal Impact Estimates: None on state agencies.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: None on state agencies.

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

10. Technical Amendment Necessary: None noted.

11. Other Comments: None.

Date: 1/19/2010 SDL