

State Corporation Commission 2016 Fiscal Impact Statement

1. Bill Number: HB973

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

2. Patron: Lopez

3. Committee: Commerce and Labor

4. Title: Renewable energy; efficient biomass.

5. Summary: Renewable energy; efficient biomass. Excludes inefficient biomass from the definition of renewable energy. The measure provides that renewable energy includes any biomass energy capacity, efficient or otherwise, in operation prior to January 1, 2016, and that on and after that date renewable energy may include the proportion of the thermal or electric energy from a facility that results from the co-firing of efficient biomass on or after January 1, 2016. "Efficient biomass" is defined as thermal or electric energy or combined heat and power from biomass generating units with an overall efficiency of 50 percent or greater on an annual basis. The measure directs how a unit's overall efficiency shall be determined on the basis of outputs of electrical generation and useful thermal energy output, which is defined in the bill as (i) including direct heat and other valid thermal end-use energy requirements for which fuel or electricity would otherwise be consumed and (ii) excluding thermal energy used for the purpose of drying or refining biomass fuel.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: None 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

DRE, 1/19/2016