

## State Corporation Commission 2017 Fiscal Impact Statement

**1. Bill Number:** HB2112

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**        Keam

**3. Committee:** Commerce and Labor

**4. Title:**        Electric utilities; community renewable projects.

**5. Summary:** Electric utilities; community renewable projects. Requires the State Corporation Commission to adopt rules under which community renewable projects are authorized to operate. A community renewable project is a solar- or wind-powered electric generation facility with a capacity of not more than 20 megawatts that is operated subject to requirements that the electricity generated by the facility belongs to the project's subscribers. The facility may be owned either by the investor-owned electric utility or distribution cooperative in whose service territory the facility is located or a for-profit or nonprofit entity, which may be an entity entirely owned by or consisting of subscribers, that contracts to sell the electricity generated by the facility to the retail utility. The measure provides that neither the owner of a project nor its subscribers are public utilities and that prices paid for subscriptions in projects shall not be subject to regulation by the Commission. The measure also requires the retail utility to purchase all of the electricity generated by the project and that the purchase of the electricity by the utility shall take the form of a credit against the utility's electric bill to each of the project's subscribers. Finally, the measure requires the Commission to formulate and implement policies that simultaneously encourage the ownership by customers of subscriptions in projects and of other forms of distributed generation to the extent the Commission finds there to be demand for such ownership; the development of projects with attributes that the Commission finds result in lower overall total costs for the retail utility's customers; and successful financing and operation of subscriber-owned projects.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Fiscal impact estimate is preliminary and expected to be minimal. See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017			
2018	\$20,000		02080 (Cardinal)
2019			
2020			
2021			

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**8. Fiscal Implications:** The expense amount noted above includes the cost of notice to the public in state wide newspapers.

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

**10. Technical Amendment Necessary:** No

**11. Other Comments:** This bill has been assigned to Commerce and Labor's Special Subcommittee on Energy.

DRE 1/17/17