

State Corporation Commission 2018 Fiscal Impact Statement

1. Bill Number: HB965

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: Sullivan

3. Committee: Commerce and Labor

4. Title: Energy efficiency programs; Total Resource Cost Test.

5. Summary: Defines the Total Resource Cost Test as a test to determine if the benefit-cost ratio of a proposed energy efficiency program or measure is greater than one. The measure defines "benefit-cost ratio" as the ratio of the net present value of the total benefits of a program or measure, including savings and non-energy benefits, to the net present value of the total incremental costs of implementing that program or measure as calculated over the lifetime of the measures implemented thereunder. An energy efficiency program or measure that meets the Total Resource Cost Test is declared to be in the public interest. The measure provides that an energy efficiency program or measure that fails the Total Resource Cost Test shall be reviewed by the State Corporation Commission (SCC) under other tests for approving energy efficiency. The Total Resource Cost Test is one of the four tests used by the SCC in assessing electricity and natural gas utility energy efficiency programs.

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