

State Corporation Commission 2019 Fiscal Impact Statement

1. Bill Number: HB1718

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: Ware

3. Committee: Commerce and Labor

4. Title: Electric utilities; fuel cost recovery.

5. Summary: Requires an electric utility, as a condition of approval of any request by an electric utility for recovery through its fuel factor of costs incurred under a natural gas capacity contract not previously subject to review in a fuel factor case, to prove by a preponderance of the evidence that, at the time the contract giving rise to the costs for which recovery is sought was executed, the utility had (i) identified and determined the date and amount of new fueling resource it needed; (ii) objectively studied all available alternative fueling resource options, including options other than new capacity contract or contracts to meet the identified and determined need; and (iii) concluded on the basis of such identifications, determinations, and studies that the pipeline capacity contract or contracts were the lowest-cost available option, taking into consideration fixed and variable costs and a reasonable projection of utilization.

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.