

State Corporation Commission 2022 Fiscal Impact Statement

1. Bill Number: SB 505

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

2. Patron: Lewis

3. Committee: Passed both houses.

4. Title: Electric cooperatives; net energy metering; power purchase agreements; local facilities usage charges.

5. Summary: Permits any customer, besides a farm or small agricultural generating facility and any customer selling power to the electric cooperative, to interconnect with an electric cooperative and enter an agreement for local facilities usage charges. The bill provides that electric cooperatives can seek approval from the State Corporation Commission at any time for a tariff for local facilities usage charges for the use of cooperative system facilities; however, the terms of an independent agreement for local facilities usage charges shall prevail if inconsistent with the approved tariff amount.

The bill permits the board of directors of an electric cooperative to approve any voluntary tariff and associated cost recovery without filing additional information with the Commission besides an informational notice.

The bill removes the limit on raising the cap for electric cooperatives' generating capacity beyond seven percent of system peak for the purposes of net energy metering. The bill also allows electric cooperatives to permit the use of third-party partial requirements power purchase agreements for eligible customer-generators without separate approval by the Commission; however, the cooperative is required to file a revised net energy metering compliance filing.

Additionally, the bill permits impacted cooperative customers to file a petition with the Commission for redress and review of the local facilities usage charges.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact 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: SB 505 is identical to HB 266.

A. Macgill, 2/28/22