

Fiscal Note

State of Alaska
2019 Legislative Session

Bill Version: HB 151
Fiscal Note Number: _____
() Publish Date: _____

Identifier: HB151-DCCED-RCA-05-07-19
Title: ELECTRIC RELIABILITY ORGANIZATIONS
Sponsor: ENERGY
Requester: (H) Energy

Department: Department of Commerce, Community and
Economic Development
Appropriation: Regulatory Commission of Alaska
Allocation: Regulatory Commission of Alaska
OMB Component Number: 2417

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2020 Appropriation Requested	Included in Governor's FY2020 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY 2020	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2019) cost: 0.0 (separate supplemental appropriation required)

Estimated CAPITAL (FY2020) cost: 0.0 (separate capital appropriation required)

Does the bill create or modify a new fund or account? No
(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 12/31/23

Why this fiscal note differs from previous version/comments:

Not applicable, initial version based on the Governor's 2/13/19 budget.

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Agency: Office of Management and Budget
Phone: (907)276-6222
Date: 05/07/2019
Date: 05/07/19

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2019 LEGISLATIVE SESSION

BILL NO. HB 151

Analysis

HB 151 would give the Regulatory Commission of Alaska (RCA) functions pertaining to electric reliability organizations, including its ability to form an electric reliability organization (ERO) if the RCA determines no person has applied for or is not likely to apply for a certification of an ERO. HB 151 provides a funding mechanism for and the composition of the governing board of an ERO.

HB 151 addressed how an ERO will develop and submit reliability standard to the RCA. It also provides an avenue to allow the RCA to require a reliability standard to be developed or modified.

A certificated ERO under the proposed statute will be able to impose a penalty on a user, owner, or operator of an interconnected bulk-power system for violation of a reliability standard. The penalty can be appealed to the RCA.

After certification, an ERO will be required to develop and file a plan for meeting the reliability requirements of customers within its interconnected bulk-power system in the most cost-effective manner, consistent with the load-serving entities' obligations.

HB 151 provides the RCA with limited pre-construction approval authority for large energy facilities.

The RCA currently expects to implement the provisions of this legislation with existing resources, and does not anticipate fiscal impact from this legislation.