# **Fiscal Note**

# State of Alaska 2016 Legislative Session

Bill Version: CSSB 193(NRG)

Fiscal Note Number:

4/1/2016 (S) Publish Date: Department: Department of Commerce, Community and

**Economic Development** 

Identifier: SB193-DCCED-RCA-03-11-16

EXTEND EXEMPTION FOR SMALL POWER

**PLANTS** 

Appropriation: Regulatory Commission of Alaska Sponsor: **MCGUIRE** Allocation: Regulatory Commission of Alaska

Requester: (S) Special Committee on Energy OMB Component Number: 2417

#### **Expenditures/Revenues**

Title:

| Note: Amounts do not include in | nflation unless of | otherwise noted | below.  |         |                 | (Thousand | ls of Dollars) |
|---------------------------------|--------------------|-----------------|---------|---------|-----------------|-----------|----------------|
|                                 |                    | Included in     |         |         |                 |           |                |
|                                 | FY2017             | Governor's      |         |         |                 |           |                |
|                                 | Appropriation      | FY2017          |         | Out-Ye  | ear Cost Estima | ates      |                |
|                                 | Requested          | Request         |         |         |                 |           |                |
| <b>OPERATING EXPENDITURES</b>   | FY 2017            | FY 2017         | FY 2018 | FY 2019 | FY 2020         | FY 2021   | FY 2022        |
| 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            |

| Func | Source | (Operatii | ng O | nly) |
|------|--------|-----------|------|------|
|      |        |           |      |      |

| 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 |  |  |  |  |
|--------------------|--|--|--|--|

Estimated SUPPLEMENTAL (FY2016) cost: (discuss reasons and fund source(s) in analysis section) (separate supplemental appropriation required)

Estimated CAPITAL (FY2017) cost: (discuss reasons and fund source(s) in analysis section) (separate capital appropriation required)

## **ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No If yes, by what date are the regulations to be adopted, amended or repealed?

#### Why this fiscal note differs from previous version:

Not applicable, initial version.

| Prepared By: | Robert M. Pickett, Chairman     | Phone: | (907)276-6222       |
|--------------|---------------------------------|--------|---------------------|
| Division:    | Regulatory Commission of Alaska | Date:  | 03/11/2016 11:45 AM |
| Approved By: | Catherine Reardon, Director     | Date:  | 03/11/16            |

Division of Administrative Services, DCCED Agency:

### FISCAL NOTE ANALYSIS

## STATE OF ALASKA 2016 LEGISLATIVE SESSION

## **Analysis**

| SB 193 would extend the exemption created in 2010 for owners of renewable energy generation facilities from regulation by the Regulatory Commission of Alaska (RCA). The exempted entity would not be subject to RCA certification requirements or RCA regulation of rates and standards of service.   |
|--|
| The original exemption was created for plants or facilities originally placed into commercial operation before January 1, 2016, a date tied to the expiration of the federal Business Energy Investment Tax Credit (ITC). The ITC was most recently amended in December 2015, and currently expires for large wind on December 31, 2019. The legislation extends the exemption to January 1, 2025. |
| Since the RCA will not be required to certificate or regulate the owners of renewable energy generation facilities, the agency will not experience any increase in workload due to the passage of SB 193. The RCA does not ancitipate fiscal impact from this legislation.   |
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