

# Fiscal Note

State of Alaska  
2015 Legislative Session

Bill Version:	CSSB 57(NRG)
Fiscal Note Number:	1
(S) Publish Date:	3/18/2015

Identifier: SB057-DEC-AQ-03-13-15  
 Title: CLEAN AIR ACT PLAN  
 Sponsor: GIESSEL  
 Requester: Senate Special Committee on Energy

Department: Department of Environmental Conservation  
 Appropriation: Air Quality  
 Allocation: Air Quality  
 OMB Component Number: 2061

**Expenditures/Revenues**

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

	FY2016	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2016 Request	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
<b>OPERATING EXPENDITURES</b>	<b>FY 2016</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Personal Services							
Travel							
Services	75.0		25.0				
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>75.0</b>	<b>0.0</b>	<b>25.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

1004 Gen Fund	75.0		25.0				
<b>Total</b>	<b>75.0</b>	<b>0.0</b>	<b>25.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2015) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2016) cost:** 0.0 *(separate capital appropriation required)*  
*(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? 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 If yes, by what date are the regulations to be adopted, amended or repealed?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.
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Division:	Air Quality	Date:	03/13/2015 09:00 AM
Approved By:	Alice Edwards, Deputy Commissioner	Date:	03/13/15
Agency:	Department of Environmental Conservation		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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## Analysis

**Analysis/Assumptions:**

This bill creates additional requirements that must be met before the Department may submit a state implementation plan in response to any final EPA rule under Section 111(d) of the Clean Air Act (ie. 42 U.S.C. 7411(d)). EPA intends to finalize such a rule in mid-2015, requiring states to develop a plan to reduce greenhouse gas emissions from existing power plants within one to two years. This could include an initial plan at one year followed by a second final plan two years after the rule is final. As worded, the bill is not limited to the upcoming 111(d) power plant rules and would require the same additional analysis for any other state plan developed under this section of the Clean Air Act. This fiscal note is drafted to only cover the costs for the anticipated EPA Clean Power Plan 111(d) rules.

Under the two step planning approach proposed by EPA, the bill would result in the need for the Department to submit two reports to the legislature, one for each plan submission to EPA. The Division estimates that the majority of the required economic analysis will be completed during the first year, with additional refinements and updates based on the final plan elements during the second year. This fiscal note only considers costs required for additional analyses and reporting under this bill that are beyond any planning costs required for developing plans in response to a final EPA rule.

**Personal Services:** The proposed legislation would be accomplished with existing staff.

**Travel:** No travel costs are anticipated from this legislation.

**Services:** Estimated \$100K over two fiscal years for contractual assistance in analyzing and reporting the various economic-related impacts of a state plan to meet the Section 111(d) requirements.

**Commodities:** No commodities are anticipated from this legislation.