

Fiscal Note

State of Alaska
2024 Legislative Session

Bill Version:	CSSB 152(L&C)
Fiscal Note Number:	1
(S) Publish Date:	4/19/2024

Identifier: SB152-DCCED-RCA-01-26-24
 Title: COMMUNITY ENERGY FACILITIES; NET METERING
 Sponsor: WIELECHOWSKI
 Requester: (S) Labor & Commerce

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)

	FY2025 Appropriation Requested	Included in Governor's FY2025 Request	Out-Year Cost Estimates					
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES								
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	0.0

Fund Source (Operating Only)

None								
Total	0.0	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	0.0

Estimated SUPPLEMENTAL (FY2024) cost: 0.0 *(separate supplemental appropriation required)*

Estimated CAPITAL (FY2025) 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 If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/25

Why this fiscal note differs from previous version/comments:

Not applicable, initial version.

Prepared By:	Robert A. Doyle, Chair	Phone:	(907)276-6222
Division:	Regulatory Commission of Alaska	Date:	01/26/2024
Approved By:	Hannah Lager, Administrative Services Director	Date:	01/26/24
Agency:	Commerce, Community, and Economic Development		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2024 LEGISLATIVE SESSION

Analysis

This bill requires larger economically regulated electric utilities that use fossil fuel generation to make community energy programs available to subscriber organizations that request interconnection. Covered electric utilities must submit a community energy plan for Regulatory Commission of Alaska (RCA) approval, with subscriptions limited to retail customers or member-owners of the utility. Covered electric utilities must allow eligible community energy facilities to interconnect with utility facilities under RCA-approved interconnection standards. This bill requires the RCA to approve community energy plans that meets certain specified requirements and modify or disapprove community energy plans that do not meet the requirements. This bill includes a requirement that the community energy plan must ensure that not less than 30 percent of subscribers are low- to-moderate-income households.

A covered electric utility may own community energy facilities but may not generate more than 30% of the total generation from community energy facilities in the utility's service area. The utility must calculate this percentage annually and the RCA must take measures to bring non-compliant electric utilities into compliance with this requirement. This bill allows the covered utility to charge subscribers all approved tariffed charges, however the utility may not charge fees for standby, capacity, interconnection, or other net metering expenses. An electric utility may petition the RCA to change rate designs and include appropriate rate classes for community energy facilities, with the RCA required to allow the change if the utility can demonstrate an adverse impact to utility customers that do not participate in the community energy program.

The RCA will also be required to address utility filings that (1) request an exemption of a utility's system or a portion thereof, (2) request approval of a community energy plan, (3) propose a change to utility's rate design to include appropriate rate classes for community energy facilities, and (4) report the percentage of utility-owned community energy facilities – with the RCA required to take enforcement action should the utility exceed the 30 percent cap stated included in the bill. The RCA may also be called upon to address any complaints regarding the utility's failure to interconnect with a community energy facility or bill/report to subscribers of a community energy facility in accordance with the requirements of this legislation.

The RCA may by order modify or waive the new requirements of this bill under its own motion or upon application and a showing of good cause and may by regulation adopt additional requirements for community energy facilities if deemed necessary to protect public safety and system reliability.

Passage of this bill will require the RCA to amend or adopt regulations addressing community facility plans and interconnection standards for interconnection of community energy facilities with utility facilities. The RCA may need to adopt procedural requirements for processing utility filings and reports or complaints related to community energy plans or facilities. This bill includes a transitional section that requires the RCA to adopt regulations and implement the community energy plan/facility within one year of the effective date, superseding the RCA's two-year statutorily allowed deadline (from initiating petition filing or initiating order issuance) to adopt such regulations.

Currently the Regulatory Commission of Alaska anticipates fulfilling the requirements of this legislation within current operational authority and so does not anticipate fiscal impact from this legislation.