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Senate Bill 1456 (Substitute S-1 as reported)  
Sponsor: Senator Tony Stamas  
Committee: Energy Policy and Public Utilities

### **CONTENT**

The bill would create the "Energy for Economic Development Act of 2010" to prohibit the Public Service Commission (PSC) from taking any action that would alter a contract between an electric utility and an industrial customer pursuant to an economic development tariff provision approved by the PSC.

Specifically, if an electric utility had executed a written contract with an industrial customer providing for an increase in connected load at a single premises of at least 70.2 million kilowatt hours over 12 consecutive months pursuant to an economic development tariff provision approved by the PSC as of October 6, 2008, the Commission could not take any action that would alter the rates, terms, conditions, duration, or enforceability of the contract. Prohibited actions would include an order that would eliminate, phase out, or otherwise modify the economic development tariff provision in a manner that would allow or require an electric utility to alter the rates, terms, conditions, duration, or enforceability of the contract.

In addition, the PSC would have to allow the utility to recover fully from all of its other electric ratepayers in all classes the full amount of the difference, if any, between the revenue generated pursuant to the economic development tariff and the utility's cost to provide service to that industrial customer as determined by the Commission, resulting from the application of that tariff provision.

If there were a conflict between the proposed Act and any other State statute, the Energy for Economic Development Act would prevail.

Legislative Analyst: Julie Cassidy

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 11-8-10

Fiscal Analyst: Josh Sefton