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BILL ANALYSIS

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Senate Bill 1456 (as introduced 8-17-10)
Sponsor: Senator Tony Stamas
Committee: Energy Policy and Public Utilities

Date Completed: 11-2-10

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 a customer pursuant to an economic development tariff provision approved by the PSC.

Specifically, if an electric utility were to execute or had executed a written contract with a customer pursuant to an economic development tariff provision approved by the PSC, 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 other ratepayers the full amount of the subsidy, if any, as determined by the Commission, resulting from the application of that tariff provision.

("Electric utility" would mean that term as defined under the Electric Transmission Line Certification Act. That Act defines the term as a person, partnership, corporation, association, or other legal entity whose transmission or distribution of electricity is regulated by the PSC. The term does not include a municipal utility, affiliated transmission company, or independent transmission company.)

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

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

Fiscal Analyst: Josh Sefton