

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

BILL NUMBER: House Bill 589 (Second Edition)
SHORT TITLE: Utilities Commission Fees and Charges.
SPONSOR(S): Representatives Szoka, Arp, and Watford

FISCAL IMPACT (\$ in millions)					
<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> No Estimate Available					
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
NET STATE IMPACT	No estimate available. Please see Assumptions & Methodology section for additional details.				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
North Carolina Utilities Commission, NC Public Staff					
EFFECTIVE DATE: Most sections are effective when they become law.					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

The bill would amend G.S. 62-133.8, Renewable Energy and Energy Efficiency Portfolio Standard, by adding new subsection (l) to require an owner, including an electric power supplier, of each renewable energy facility or new renewable energy facility that intends for renewable energy certificates it earns to be eligible for use by an electric power supplier to comply with the statute to register the facility with the North Carolina Utilities Commission (NCUC). The bill would further provide that the requirement applies whether or not the facility is required to obtain a certificate of public convenience and necessity pursuant to G.S. 62-110.1. The bill would direct the described owner to file a registration statement in the form prescribed by NCUC and remit to NCUC the fee pursuant to G.S. 63-300(a)(16). The bill would amend G.S. 62-300(a) to add new subsection (16), setting a \$250 fee for each application for a certificate of authority to engage in business as a solar electric generator lessor filed pursuant to G.S. 62-126.7 and for each registration statement for a renewable energy facility or new renewable energy facility filed pursuant to G.S. 62-133.8(l). The bill would further add new subsection (17), setting a \$50 fee for each report of proposed construction filed by the owner of an electric generating facility that is exempt from the certification requirements of G.S. 62-110.1(a).

ASSUMPTIONS AND METHODOLOGY:

Revenues

FRD cannot estimate the total revenues to the State from the changes in this bill. All of the estimated revenues would be generated from the changes in Section 10.2, which adds three new

fees. The first fee would charge \$250 for each application for a certificate of authority to engage in business as a solar electric generator lessor filed pursuant to G.S. 62-126.7. This is a new category of business added by the bill. The second fee would charge \$250 for each registration statement for a renewable energy facility or new renewable energy facility filed pursuant to G.S. 62-133.8(l). This is a new fee on an existing category of business. The third fee would charge \$50 for each report of proposed construction filed by the owner of an electric generating facility that is exempt from the certification requirements of G.S. 62-110.1(a). This is a new fee on an existing category of business. These revenues would accrue to Budget Code 54600, Commerce-Enterprise.

Certificate of Authority for Solar Electric Generator Lessor

FRD cannot estimate revenues from the new \$250 fee for each application for a certificate of authority to engage in business as a solar electric generator lessor. This is a new category of business created by the bill. NCUC cannot estimate how many of these applications that NCUC will receive annually.

Registration Statement for a Renewable Energy Facility

FRD estimates that revenues from the \$250 fee for each registration statement for a renewable energy facility or new renewable energy facility filed pursuant to G.S. 62-133.8(l) would be roughly \$62,500 annually. NCUC estimates that total filings for these registration statements would be 250 per year (250 filings x \$250 fee = \$62,500).

Report of Proposed Construction from an Electric Generating Facility

FRD estimates that revenues from the new \$50 fee for each report of proposed construction filed by the owner of an electric generating facility that is exempt from the certification requirements of G.S. 62-110.1(a) would be roughly \$25,000 annually. NCUC estimates that total filings for these reports of proposed construction would be 500 per year (500 reports x \$50 fee = \$25,000).

	FY 2017-18	FY 2018-19	FY 1019-20	FY 2020-21	FY 2021-22
\$250 Certificate of Authority for Solar Electric Generator Lessor	FRD cannot estimate revenues from this fee.				
\$250 Registration Statement for a Renewable Energy Facility	\$62,500	\$62,500	\$62,500	\$62,500	\$62,500
\$50 Report of Proposed Construction from an Electric Generating Facility	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000

Positions

FRD estimates that all of the changes in the bill would require 4.0 additional positions to implement in both NCUC and NC Public Staff. The total costs of these positions would be \$451,100 annually. These positions would be supported through receipts in Budget Code 54600, Commerce-Enterprise.

FRD estimates that NCUC would need an attorney position (Attorney – Journey) and a deputy clerk position (Processing Assistant V) to implement all changes in this bill. These positions would be supported through receipts in Budget Code 54600, Commerce-Enterprise. The total estimated annual costs of these positions would be \$171,600.

FRD estimates that the NC Public Staff would need an attorney position (Attorney – Advanced) and an engineer position (Utilities Engineer IV) to implement all changes in this bill. These positions would be supported through receipts in Budget Code 54600, Commerce-Enterprise. The total estimated annual costs of these positions would be \$279,500.

	FY 2017-18	FY 2018-19	FY 1019-20	FY 2020-21	FY 2021-22
NCUC Attorney	\$123,500	\$123,500	\$123,500	\$123,500	\$123,500
NCUC Deputy Clerk	\$48,100	\$48,100	\$48,100	\$48,100	\$48,100
Total NCUC Costs	\$171,600	\$171,600	\$171,600	\$171,600	\$171,600
NC Public Staff Attorney	\$156,000	\$156,000	\$156,000	\$156,000	\$156,000
NC Public Staff Engineer	\$123,500	\$123,500	\$123,500	\$123,500	\$123,500
Total NC Public Staff Costs	\$279,500	\$279,500	\$279,500	\$279,500	\$279,500
Total Position Costs	\$451,100	\$451,100	\$451,100	\$451,100	\$451,100

SOURCES OF DATA: North Carolina Utilities Commission, North Carolina Public Staff

TECHNICAL CONSIDERATIONS: None

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