

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING INCENTIVES FOR ELECTRIC UTILITIES TO REDUCE AIR EMISSIONS, AND, IN CONNECTION THEREWITH, REQUIRING PLANS TO ACHIEVE SUCH REDUCTIONS THAT GIVE PRIMARY CONSIDERATION TO REPLACING OR REPOWERING COAL GENERATION WITH NATURAL GAS AND ALSO CONSIDERING OTHER LOW-EMITTING RESOURCES, AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Solano and Roberts
Sens. Whitehead and Penry

JBC Analyst: Megan Davisson
Phone: 303-866-2061
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Summary of Amendments Made to the Bill After the 03/25/10 Legislative Council Staff Revised Fiscal Note Was Prepared (Amended by the Senate Agriculture and Natural Resources Committee 03/25/10)

The Senate Agriculture and Natural Resources Committee Report made the following changes:

- ▶ Clarified under the legislative declaration that the plan will result in a reduction of air pollutants;
- ▶ Made various technical changes to the bill;
- ▶ Clarified that plans shall consider "reasonably foreseeable" federal and state policy and requirements;
- ▶ Exempted certain facilities from being included in a utility's proposed generating unit;
- ▶ Struck the requirement that the Public Utilities Commission (PUC) consider how much a utility's plan will reduce pollutants; and,
- ▶ Struck the requirement that a utility shall certify comparative carbon dioxide emission rates.

These amendments do not change the fiscal impact of the bill.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

XXX	Concurs		Does Not Concur		Updated Analysis
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Amendments/Appropriation Status

The bill includes a provision that appropriates \$74,115 cash funds from the PUC Fixed Utility Fund and 0.6 FTE to the Department of Regulatory Agencies, Public Utilities Commission, for FY 2010-11. This provision also appropriates \$13,041 (from reappropriated funds) and 0.1 FTE to the Department of Law for the provision of legal services.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

None.