

## Fiscal Estimate - 2003 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>03-3215/1</b>	<b>Introduction Number</b> <b>AB-567</b>	
<b>Subject</b> Utility aid payments; contiguous municipality		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input checked="" type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs    3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs    4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
<b>5. Types of Local Government Units Affected</b> <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.835 (1)(dm)		
<b>Agency/Prepared By</b> DOR/ Daniel Huegel (608) 266-5705	<b>Authorized Signature</b> Dennis Collier (608) 266-5773	<b>Date</b> 10/10/2003

## Fiscal Estimate Narratives

DOR 10/10/2003

LRB Number	03-3215/1	Introduction Number	AB-567	Estimate Type	Original
<b>Subject</b>					
Utility aid payments; contiguous municipality					

### Assumptions Used in Arriving at Fiscal Estimate

This bill makes one change to the shared revenue utility payment beginning with payments in July 2005 (FY06).

Under a provision of 2003 Act 31, beginning in 2005 incentive payments will be made to encourage local governments to permit new or repowered electric generating plants within their borders. Among these incentive payments is one for power plants with a name-plate capacity of at least 50 megawatts (MW) and classified by the PSC as a baseload plant. For such plants, each municipality and county where such a plant is located will receive a payment of \$600 per MW. Under the bill, if such a baseload facility is located on a site that borders another municipality, and no part of the plant extends into the bordering municipality, then the bordering municipality shall receive an annual incentive payment of \$100 per MW.

Based on anecdotal information of power plant sites, the Department believes that only one municipality could qualify for the proposed payment. This municipality is the Town of Caledonia in Racine County, which borders the site of the proposed rebuilt power plants in the City of Oak Creek. Based on data from the PSC concerning the proposed rebuilt power plants, the generating capacity of the plants could be as high as 1,800 MW. Thus, the annual payment to the Town of Caledonia could be as high as \$180,000.

Given the number of power plants in discussion across the state, it is possible that additional communities could qualify for the payment created under this bill. It is therefore likely that the actual increase in shared revenue payments engendered by this bill could be higher than noted earlier in this discussion.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

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  Supplemental

LRB Number <b>03-3215/1</b>		Introduction Number <b>AB-567</b>	
<b>Subject</b>			
Utility aid payments; contiguous municipality			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance	180,000		
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$180,000</b>		<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR	180,000		
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$180,000		\$
NET CHANGE IN REVENUE	\$		\$180,000
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOR/ Daniel Huegel (608) 266-5705		Dennis Collier (608) 266-5773	
		<b>Date</b>	
		10/10/2003	