Wisconsin Department of Administration
Division of Executive Budget and Finance
DOA-2048 (R07/2000)

Fiscal Estimate - 2001 Session

☒ Original ☐ Updated ☐ Corrected ☐ Supplemental

LRB Number **01-4141/1**	Introduction Number **AB-832**

Subject

Including residential wells in engineering plans for certificates of public convenience and necessity for electric generating facilities

Fiscal Effect

State:

☐ No State Fiscal Effect
☐ Indeterminate
- ☐ Increase Existing Appropriations
- ☐ Decrease Existing Appropriations
- ☐ Create New Appropriations
- ☐ Increase Existing Revenues
- ☐ Decrease Existing Revenues
- ☒ Increase Costs - May be possible to absorb within agency's budget
  - ☐ Yes ☒ No
- ☐ Decrease Costs

Local:

☐ No Local Government Costs
☐ Indeterminate
1. ☐ Increase Costs ☐ Permissive ☐ Mandatory
2. ☐ Decrease Costs ☐ Permissive ☐ Mandatory
3. ☐ Increase Revenue ☐ Permissive ☐ Mandatory
4. ☐ Decrease Revenue ☐ Permissive ☐ Mandatory

5. Types of Local Government Units Affected
☐ Towns ☐ Village ☐ Cities
☐ Counties ☐ Others
☐ School Districts ☐ WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

☒ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEGS

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DNR 3/1/02

LRB Number **01-4141/1**	Introduction Number **AB-832**	Estimate Type **Original**
Subject		
Including residential wells in engineering plans for certificates of public convenience and necessity for electric generating facilities		

Assumptions Used in Arriving at Fiscal Estimate

Bill Summary:
The bill requires that the Department evaluate the impact of proposed electric generating facilities on the water availability and water quality of nearby residential wells. Under the proposed law, if the Department determines that a proposed facility would reduce the availability of water to a residential well or cause the water to exceed a preventive action level (PAL), the Public Service Commission (PSC) must reject the certificate of public convenience and necessity (CPCN) application. In addition, the bill requires that facilities filing applications prior to the effective date of the bill provide supplemental information on water availability and water quality of nearby residential wells.

Fiscal Estimate:
Annual Costs:
Assuming the cost of any assessment study is borne by the applicant, the bill will increase costs to the Department by an estimated $285,400 of salary and supplies related expenditures associated with 5 FTE. This estimate includes costs 1) assisting and guiding an estimated 4 electric generating facility permit applicants with assessing the impacts of their proposed generating facility on the water availability and water quality of nearby residential wells; and 2) Department review of the 4 impact assessments prepared by electric generating facility permit applicants.

Impact Assessment: The Department estimates that approximately 4 electric generating facilities with a capacity of 100 megawatts or more will be proposed each year. Under the bill, a detailed assessment of the possible impacts of the well would be required for each of these facilities. The Department assumes that, based on an estimate given to Perrier by the U.S. Geological Survey, this assessment would cost approximately $70,000 and take about 12 months to complete. The Department assumes that it can require that the cost of the study be borne by the applicant. The Department estimates that the annual cost to applicants for these studies would be $280,000. (These costs would be borne by a local government should the local government be the applicant.)

During development of the study, DNR staff would provide assistance and guidelines to the applicant and respond to questions from the applicant, its consultant, and other interested parties. Because technical studies of this type are rare and consultants will likely have many questions, the Department estimates that DNR staff involvement during each study would require approximately 600 hours of an advanced hydrogeologist's time and 300 hours of an Advanced Wastewater Engineers time per study.

600 hours x 4 applications = 2400
2400 hours/1800 hours per FTE = 1.3 FTE (Hydrogeologist - Adv.)
Hydrogeologist - Adv. ($25.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $56,000 x 1.3 FTE = $72,800

75 hours x 4 applications = 300
300 hours/1800 hours per FTE = 0.17 FTE (Wastewater Engineer - Adv.)
Wastewater Engineer - Adv. ($32.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $70,560 x 0.17 FTE = $12,000

Review of Impact Assessment: Following completion and submittal of the above study, the Department estimates that approximately 1500 hours of DNR staff time would be required to review the study, recommend an action (approval or disapproval) and require any conditions of an approval, and complete a public comment process. Because of the uniqueness and complexity of these studies, this estimated time is based on a tripling of the amount of time currently spent by Department staff conducting a completeness review of a landfill

feasibility study. (Please note that the bill requires that this review be completed within 120 days, which would require 12.5 hours of effort on the Department's part for each of those 120 days.)

1200 hours x 4 applications = 4800
4800 hours/1800 hours per FTE = 2.7 FTE (Hydrogeologist - Adv.)
Hydrogeologist - Adv. ($25.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $56,000 x 2.7 FTE = $151,200

300 hours x 4 applications = 1200
1200 hours/1800 hours per FTE = 0.7 FTE (Wastewater Engineer - Adv.)
Wastewater Engineer - Adv. ($32.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $70,560 x 0.7 FTE = $49,400

One-Time Costs:
Rule Development: Following enactment of the legislation, the Department will 1) draft interim procedures for submittal and review of studies and application prior to enactment of administrative code; 2) draft administrative code, including meeting with regulated and interested groups; and 3) hold public hearings and enact the administrative code.

5400 hours/1800 hours per FTE = 3 FTE (Water Supply Specialist)
Water Supply Specialist ($17.78/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $41,000 x 3 FTE = $123,000

200 hours/1800 hours per FTE = 0.1 FTE (Attorney)
Attorney ($41.28/hr salary and fringe) x 2080 + $4000 supplies related expenditures = $89,900 x 0.1 FTE = $9,000

Backlog of Applications: The Department estimates that there will be a backlog of 7 applications that will require project staff to address over a 2 to 3 year period.

1800 hours x 7applications = 12600
12600 hours/1800 hours per FTE = 7 FTE (Hydrogeologist - Adv.)
Hydrogeologist - Adv. ($25.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $56,000 x 7 FTE = $392,000

450 hours x 7applications = 3,150
3,150 hours/1800 hours per FTE = 1.75 FTE (Wastewater Engineer - Adv.)
Wastewater Engineer - Adv. ($32.00/hr salary & fringe) x 2080 hours + $4000 supplies related expenditures = $70,560 x 1.75 FTE = $123,500

Local Government Costs: Local governments will incur costs under this bill only if they are the permit applicant.

Long-Range Fiscal Implications

None.

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Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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LRB Number **01-4141/1**	Introduction Number **AB-832**

Subject

Including residential wells in engineering plans for certificates of public convenience and necessity for electric generating facilities

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

$647,500 and 11.85 FTE as described in the text.

II. Annualized Costs:	**Annualized Fiscal Impact on funds from:**	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	$265,900	
(FTE Position Changes)	(5.0 FTE)	
State Operations - Other Costs	19,500	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	**$285,400**	**$**
B. State Costs by Source of Funds		
GPR	285,400	
FED		
PRO/PRS		
SEG/SEG-S		

III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)

	Increased Rev	Decreased Rev
GPR Taxes	$	$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	**$**	**$**

NET ANNUALIZED FISCAL IMPACT

	State	Local
NET CHANGE IN COSTS	$285,400	$
NET CHANGE IN REVENUE	$	$

Agency/Prepared By	**Authorized Signature**	**Date**
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