



**Fiscal Estimate Narratives**

**DOA 4/12/2013**

LRB Number	<b>13-0380/1</b>	Introduction Number	<b>SB-064</b>	Estimate Type	<b>Original</b>
<b>Description</b>					
Renewable energy goals for state energy consumption and for energy use by certain state agencies					

**Assumptions Used in Arriving at Fiscal Estimate**

2013 SB64 would require that certain agencies generate or purchase at least 30% of their total annual electric energy as renewable energy by December 31, 2025. Currently, these agencies are required to generate or purchase at least 20% of their total annual electric energy as renewable energy, a goal to be attained by December 31, 2011. Under s. 16.75(12)(d), Stats, an agency would not be required to attain the goals indicated by s. 16.75(12)(b) if it is not technically feasible or cost-effective.

During CY12, 15.63% of electric energy purchased/generated by the Department of Administration was renewable (8,335,656 kWh of 53,340,081 kWh). Currently, renewable electric energy costs \$.03 per kWh more than non-renewable electric energy, resulting in an additional cost of \$250,100 according to renewable electric energy costs paid by the Department under current contracts.

The annual fiscal impact of 2013 SB64 on the Department would be \$229,900, based on current electric energy use and rates, if the amount of renewable electric energy generated or purchased is increased from 15.62% to 30%. Future costs and rates for renewable electric energy are unknown. The cost would not be incurred if the Department determines that attaining the goal is not cost-effective and the cost could be offset by declines in electrical energy use due to energy efficiency measures.

These costs are contained in s. 20.505 (5) (ka), Stats., Facility operations and maintenance; police and protection functions. Recovery of costs in this appropriation is through rent assessments. Increases in costs to this appropriation may result in increases to the rental rates assessed to state agencies.

**Long-Range Fiscal Implications**

Indeterminate due to uncertainty of future costs and rates for renewable electric energy.

## Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number 13-0380/1</b>		<b>Introduction Number SB-064</b>	
<b>Description</b> Renewable energy goals for state energy consumption and for energy use by certain state agencies			
<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		229,900	
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$229,900</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS (20.505 (5) (ka))		229,900	
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 (20.505 (5) (ka))		229,900	
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$229,900</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$229,900	\$
NET CHANGE IN REVENUE		\$229,900	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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