

Fiscal Estimate Narratives

DNR 2/1/2016

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| LRB Number | 15-4434/1 | Introduction Number | SB-654 | Estimate Type | Original |
| Description One-call system violations; sulfur dioxide compliance plans; assessment authority of the Public Service Commission; funding for statewide energy efficiency and renewable resource programs; public utility contracts with affiliated interests; local access and transport areas for telephone service; railroad telecommunications service; Department of Natural Resources permit application procedures related to the construction of a high-voltage transmission line; navigable water general permits and individual permits related to utility facilities; granting rule-making authority; and making an appropriation | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

The bill contains several provisions that affect the Department of Natural Resources.

It allows for an extended deadline for DNR action on an application for a permit relating to the construction of a high-voltage transmission line. Currently, a utility that wishes to construct a high-voltage transmission line must submit a single application to DNR requesting all of the DNR permits that the utility is required to obtain for the project. DNR must grant or deny the application within 30 days of the date on which the PSC issues a decision on the project. Under this bill, upon agreement between DNR and the utility, DNR must grant or deny the application within 45 days after DNR has received all of the information necessary for it to make that decision regardless of whether the PSC has issued its decision.

It prohibits DNR from requiring the relocation of a utility facility as a condition of a general permit to conduct an activity in navigable waters or as part of a modification granted for an individual permit if the activity sought to be permitted is necessary in order to maintain or repair the facility.

It eliminates the requirement that major energy utilities submit an annual plan for complying with sulfur dioxide emission rates to the PSC and the Department of Natural Resources (DNR) and the requirement for DNR to review and approve or disapprove those plans.

In addition, it eliminates the requirement that DNR make certain determinations and recommendations regarding the goals for sulfur dioxide emissions from major utilities and other large sources. Under current law, if DNR determines that the total annual sulfur dioxide emissions from major utilities and other large sources exceeded the state's emission goals for the previous year, or if DNR projects that emissions will exceed those goals in any of the three succeeding years, and if DNR determines that the excess emissions are attributable to major utilities or other large sources, DNR must, after consulting with the PSC and holding a public hearing, prepare a recommendation to the legislature as to whether the emission goals should be replaced with enforceable limits.

It also eliminates the requirement that a major utility submit a request for a variance from sulfur dioxide emission rates to PSC and for PSC to determine whether a condition exists for granting a variance. Under the bill, a variance request must be submitted to DNR, as required under current law. It also requires DNR to determine whether a variance condition exists.

These provisions will have no fiscal effect at the state or local level.

Long-Range Fiscal Implications