

Fiscal Estimate - 2019 Session

Original Updated Corrected Supplemental

LRB Number **19-4811/1** Introduction Number **AB-0766**

Description
evaluating the social cost of carbon emissions

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 3. Increase Revenue
- Permissive Mandatory Permissive Mandatory
- 2. Decrease Costs 4. Decrease Revenue
- Permissive Mandatory 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

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Fiscal Estimate Narratives

PSC 1/27/2020

LRB Number 19-4811/1	Introduction Number AB-0766	Estimate Type Original
Description evaluating the social cost of carbon emissions		

Assumptions Used in Arriving at Fiscal Estimate

2019 AB 766 defines the term "social cost of carbon" and quantifies it as \$50 per ton of carbon dioxide emitted into the atmosphere. The bill requires the Commission to annually evaluate this cost using integrated assessment models and considering appropriate discount rates and adjust as necessary. 2019 AB 766 requires the Commission to submit a report to the appropriate standing committees of the Legislature no later than January 1, 2021, and annually thereafter describing the evaluation and any changes to the cost.

2019 AB 766 also requires the Commission to consider the social cost of carbon when determining whether to issue certificates required to construct large electric generating facilities or high-voltage transmission lines or to engage in certain other public utility projects.

The work associated with the annual evaluation of the social cost of carbon and creation of the required report can be absorbed by existing Commission staff and resources. As such, there is no fiscal effect.

Long-Range Fiscal Implications