Fiscal Estimate - 2021 Session

☑ Original ☐ Updated	Corrected Supplemental				
LRB Number 21-4305/1	Introduction Number AB-0527				
Description authorizing community solar programs and granting rule-making authority					
Fiscal Effect					
Appropriations	ease Existing absorb within agency's budget				
Permissive Mandatory Perm 2. Decrease Costs 4. Decre	5.Types of Local Government Units Affected Issive Mandatory Ease Revenue Issive Mandatory Issive Ma				
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 PSC 9/10/2021

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Description					
authorizing community solar programs and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

2021 AB 527 allows for the establishment of community solar programs. In a community solar program, retail electric customers subscribe to a community solar facility and receive credits on their electric bill for electricity produced by the facility. The bill requires that both the customer and community solar facility be in the same electric utility service territory and limits the annual value of bill credits to the subscriber's average annual electric bill. 2021 AB 527 specifies that the community solar facilities are subject to applicable zoning ordinances. Any exceptions must be approved by two-thirds vote of the governing body of the municipality.

2021 AB 527 requires the Public Service Commission (Commission) to promulgate rules related to the program. Among other things, the rules must reasonably allow for the creation and financing of the facilities, ensure participation opportunities, allow for the transferability and portability of subscriptions, allow utilities to recover costs of applying credits to subscribers' bills, and modify existing interconnection standards, feeds and processes to facility interconnection of the facility with the electric distribution grid. The bill requires electric utilities to include options in their Commission tariff filings that will allow bill credits for subscribers. Under the bill, the Commission shall establish an applicable bill credit rate to be used to calculate bill credits for the program. The work associated with the Commission duties outlined in 2021 AB 527, including rulemaking, tariff review, and bill credit calculation, can be absorbed with existing staff resources.

Local Fiscal Effect

2021 AB 527 requires an electric utility whose service territory includes a community solar facility to credit the electric bills of the subscribers and outlines other administrative responsibilities of the electric utility. Additionally, as noted above, the electric utilities must include options in their tariff filings with the Commission that will allow bill credits for community solar facility subscribers. Municipal electric utilities with community solar programs may need to devote additional resources to the billing process as well as tariff filings. The local fiscal effect is indeterminate and will vary by utility.

Long-Range Fiscal Implications