State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 1/27/2025 4:40 PM **ORIGINAL**

Bill Number: SB1197 **Patron:** Deeds
Bill Title: Electric cooperatives; unregulated sale of electric power to certain customers.

Bill Summary: Permits electric cooperatives, through one or more of their affiliates, to make unregulated sales of electric power to certain customers that contract for electric utility services to serve a demand that is reasonably expected to exceed 90 megawatts.

Budget Amendment Necessary: No **Items Impacted: None**
Explanation: Not Applicable

Fiscal Summary: The fiscal impact estimate is indeterminate. Please see the Fiscal Analysis.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: Indeterminate

Position Impact: None

Fiscal Analysis: This bill adds additional work to existing Staff which includes a non-regular proceeding and any reporting requirements of unregulated sales as determined by the Commission as part of the proceeding. The fiscal impact is indeterminate at this time. The need for additional staff may be evaluated if the cumulative workload of this and other related bills were to pass.

The SCC costs to implement the requirements in this bill will impact its Public Utility Fund (02080). The current rate cap authorization (58.1-2900) as approved by the General Assembly (GA) is not sufficient to generate the revenue needed for the Fund to cover the costs of this bill's requirements. However, bills HB2663 and SB1336 have been introduced in the 2025 GA session to adjust electric consumption rate caps to fund SCC existing expenses and potential new expenses from electric utility SCC oversight legislation passed during the 2025 GA Session. The costs associated with SB1197 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

Other: None.