State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement

PUBLISHED: 1/27/2025 7:37 PM **ORIGINAL**

Bill Number: HB2621 **Patron:** Ballard
Bill Title: Phase I Utilities; securitized asset costs.

Bill Summary: Authorizes Appalachian Power to petition the State Corporation Commission for a financing order for securitized asset costs, as defined in the bill. The bill creates the securitized asset cost charge and provides that the revenues generated by this charge, known as securitized asset cost property, are a property right that can be transferred and pledged as security for the securitized asset cost bonds. The bill establishes the procedures for creating, perfecting, and enforcing the security interest in securitized asset cost property.

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

Fiscal Summary: The Commission will require the services of a consultant with expertise in financing.

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: None**.**

Position Impact: None

Fiscal Analysis: The work required of this bill involves analysis, monitoring and reporting information to the State Corporation Commission (Commission) about a proposed financing order if filed by a Phase I Utility (Appalachian Power). Based on similar work involving a financing order for securitization recently performed by a financial consultant the estimated cost is up to $400,000. The definition of "Financing costs" in the introduced bill includes "Any costs incurred by the Commission for any outside consultants or counsel retained in connection with the securitization of securitized asset costs." The Commission is eligible to be reimbursed for the cost of a financial consultant. A budget amendment is not necessary.

Other: None