State Corporation Commission
2025 General Assembly Session
State Fiscal Impact Statement

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Bill Number: HB2644 **Patron:** Sickles
Bill Title: Electric cooperative subsidiaries; customers exceeding 90 megawatts demand.

Bill Summary: Permits electric cooperatives, through one or more of its 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:

General Fund Expenditure Impact: None

Nongeneral Fund Expenditure Impact: Indeterminate

Position Impact: None

Fiscal Analysis: This bill adds additional work to existing Staff of the State Corporation Commission (SCC) which can include an additional proceeding and any reporting requirements of unregulated sales as determined by the Commission as part of a proceeding. The fiscal impact is indeterminate at this time.

The SCC notes that there are several legislative proposals under consideration in the 2025 General Assembly Session involving public utility regulation that could require or direct the Commission to hold a proceeding, initiate or update a rulemaking, coordinate a workgroup and publish a report, or establish a new program.

The cumulative impact of enactment of these types of proposals will exceed the capacity of the utility regulation divisions at the Commission and will result in the need for additional appropriations, positions, or both.

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 HB2644 can be absorbed from the revenue that would result from the passage of HB2663/SB1336.

Other: None