

Fiscal Summary: It is anticipated that this bill will result in a \$150,000 general fund expenditure impact for the Department of Energy annually. The bill may have additional expenditure impacts to the State Corporation Commission (SCC); however, impact estimates from SCC are not yet available. It is anticipated that any fiscal impact this bill may have on the Department of Fire Programs (DFP) and Department of Environmental Quality (DEQ) can be absorbed within existing appropriation.

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
Energy	-	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
TOTAL						

Fiscal Analysis: The bill requires Energy to convene multiple workgroups, create model ordinances, recommend financial incentives, and submit reports to lawmakers by December 1, 2026. The bill directs Energy to establish “a full-time staff position to support the development of short-duration energy storage and long-duration energy storage projects.” The agency anticipates costs associated with the position will result in a \$150,000 annual general fund expenditure. It is anticipated that this position will support the required workgroups and reports.

DFP is directed to participate in the two workgroups and to convene a third. DFP anticipates that associated costs can be absorbed within existing resources. DEQ would also be a participant in the workgroups. Estimates are not yet available from DEQ, but it is anticipated that any fiscal impact to the department can be absorbed.

The bill requires SCC to establish a technology demonstration program, make a determination as to whether the technology is feasible, update regulations, and appoint an independent auditor to create criterion for and review proposals to construct energy storage facilities. It is anticipated that this increase in workload may result in additional expenses, however, estimates are not available from SCC.

Other: This bill is similar to SB448.