

Fiscal Estimate Narratives

PSC 5/3/01

LRB Number 01-3119/3	Introduction Number SB-168	Estimate Type Original
Subject Leased generation facilities		

Assumptions Used in Arriving at Fiscal Estimate

This bill creates a statutory definition for a "leased generation contract". The bill defines "leased generation contract" as a contract under which a public utility transfers land, buildings, or fixtures to an affiliated interest for the affiliated interest to construct electric generating facilities on or in the land, buildings, or fixtures. In addition, under a leased generation contract, the affiliated interest leases the electric generating facilities that are constructed to the public utility for operation by the public utility.

This bill inserts provisions related to leased generation contracts into the PSC's existing ss. 196.52 (relations with affiliated interests) and 196.795 (public utility holding companies). Provisions in the bill would permit the PSC to approve leased generation contracts if certain conditions are met.

Under current law, with certain exceptions, a public utility may not transfer real property to a non-utility affiliate unless the utility conducts a public sale or offers the real property to the highest qualified bidder. The bill creates an additional exception to this requirement by allowing public utilities to enter into leased generation contracts with non-utility affiliates if approved by the PSC.

As proposed this bill does not have a fiscal effect on the Public Service Commission.

Long-Range Fiscal Implications

None