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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/21/07

SPONSOR Lujan, B. LAST UPDATED \_\_\_\_\_ HB 1030

SHORT TITLE Rural Electric Co-op Rate Changes SB \_\_\_\_\_

ANALYST Earnest

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of Bill

House Bill 1030 provides that a protest to a rural electric cooperative rate change may be filed with the Public Regulation Commission by the lesser of one percent of or 25 members of a customer class of the co-op. Under current law, a protest may be lodged by one member.

### FISCAL IMPLICATIONS

None identified.

### SIGNIFICANT ISSUES

Current statute allows rural electric cooperatives (co-op) to change rates without a PRC hearing and order if no protests are received co-op member-customers. The proposed bill changes the number of required protests from one to “the lesser of one percent of or twenty-five members of a customer class.”

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As proposed by this bill, for the commission to suspend the rates and conduct a hearing on the proposed rate changes, filing of 25 residential member-customer protests would be needed for all but two co-ops.

In the last fifteen years approximately five co-op rate cases have been docketed upon the filing of a protest. It is not anticipated the proposed change in statute would have any significant impact on the PRC's operation or workload.

BE/mt