



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.

Bill Number: S.0523 Introduced on February 9, 2023
Author: Rankin
Subject: Electric Generation Procurement
Requestor: Senate Judiciary
RFA Analyst(s): Wren
Impact Date: March 1, 2023

Fiscal Impact Summary

This bill requires Central Electric Power Cooperative to submit all proposed contracts or other plans for procurement of electric generation to the Joint Bond Review Committee (JBRC), the State Regulation of Public Utilities Review Committee, and the Public Service Commission (PSC) of South Carolina for approval prior to execution of any long-term power contract.

This bill will have no expenditure impact on PSC since the additional responsibilities can be managed within the normal course of business.

This bill will have no expenditure impact on the Public Service Authority (PSA) because it does not affect the agency.

This bill will increase Other Funds expenses of the Office of Regulatory Staff (ORS) by approximately \$50,000 in FY 2023-24 to employ an external consultant. This expense will recur intermittently thereafter and will depend upon the number of additional proposed contracts or other plans for procurement that need to be reviewed each year.

This bill is not expected to have an expenditure impact on the Senate or House of Representatives as both legislative bodies indicate that the additional reports resulting from the bill can be managed with existing resources of JBRC.

Explanation of Fiscal Impact

Introduced on February 9, 2023

State Expenditure

This bill requires Central Electric Power Cooperative to submit all proposed contracts or other plans for procurement of electric generation to the JBRC, the State Regulation of Public Utilities Review Committee, and PSC for approval prior to execution of any long-term power contract. The provisions of this bill do not apply to generation procured in coordination with the South Carolina Power Authority through its coordinating agreement with Central Electric Power Cooperative.

Public Service Authority. This bill will have no expenditure impact PSA because it does not affect the agency.

Public Service Commission. PSC indicates that the commission can manage the review of the additional contracts and other plans within the normal course of business. Therefore, this bill will have no expenditure impact on PSC.

Office of Regulatory Staff. ORS indicates that this bill will increase Other Funds expenses of the agency by approximately \$50,000 in FY 2023-24 to employ an external consultant. This expense will recur intermittently thereafter and will depend upon the number of additional proposed contracts or other plans for procurement that need to be reviewed each year.

Senate and House of Representatives. The Senate indicates that the JBRC is staffed by one Senate employee. Further, the Senate anticipates that the requirements of the bill can be managed within existing appropriations. Likewise, the House of Representatives anticipates that the additional reports submitted to the JBRC can be managed within the normal course of business for the committee. Therefore, this bill is not expected to have an expenditure impact on the Senate or House of Representatives.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director