

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4021-01
Bill No.: HB 1493
Subject: Energy; Public Service Commission; Utilities
Type: Original
Date: February 23, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS
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FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Economic Development, Office of Public Counsel** assume this proposed legislation would not fiscally impact their agency.

Officials of the **Department of Economic Development, Public Service Commission (PSC)** assume the proposed bill makes several changes to how territorial agreements will be addressed by the PCS for water and electric utilities. Hearings would no longer be required in all circumstances (stipulations and agreements). PCS assumes no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

Current law requires that territorial agreements specify the boundaries of the water service area of each water supplier and the electric service area of each electric service supplier. In cases where the parties cannot agree, they may petition the Missouri Public Service Commission to designate the boundaries of the service areas to be served by each party. This proposal clarifies that the PSC can only be petitioned when the parties cannot agree upon the boundaries of the service areas that are not specified in the agreement.

Current law states that the PSC must hold an evidentiary hearing when receiving any petition, when determining whether or not a territorial agreement should become effective, and when complaints involving any PSC-approved territorial agreement are presented. The proposal states that these hearings can be waived if the matter is resolved by a stipulation and an agreement that is submitted to the PSC. All parties must agree to waive the hearing.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
Office of Public Counsel

KS:LR:OD (12/02)

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Public Service Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized "M" and "W".

Mickey Wilson, CPA
Director
February 23, 2004