

**FISCAL NOTE**  
**LEGISLATIVE FISCAL ANALYST ESTIMATE**

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2013-14</b>		<b>FY 2014-15</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	8,000			
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	8,000			

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 557 defines “community solar garden” and “subscriber” in section 70-2002.

Section 2 of the bill allows a community solar garden to be owned by a subscriber organization, whose sole purpose is beneficially owning and operating a community solar garden. The subscriber organization may be any for-profit or non-profit entity. The Power Review Board or local distribution utility may adopt and promulgate rules and regulations as necessary to implement this section.

The Power Review Board estimates the need to hire a consultant from an appropriate field of knowledge to assist in the rule and regulation process. There is no basis to disagree with this estimate.

<b>ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSES</b>			
LB: <b>557</b>	AM:	AGENCY/POLT. SUB: Power Review Board	
REVIEWED BY: Cindy Miserez	DATE: 2/1/2013	PHONE: <a href="tel:402-471-4174">402-471-4174</a>	
COMMENTS: I concur with the analysis and conclusions of the Power Review Board identifying the need for \$8,000 cash fund appropriation in FY2014.			

Please complete ALL (5) blanks in the first three lines.

**2013**

**LB<sup>(1)</sup> 557 FISCAL NOTE**

State Agency OR Political Subdivision Name: (2) Nebraska Power Review Board

Prepared by: (3) Tim Texel Date Prepared: (4) Jan. 31, 2013 Phone: (5) 402-471-2301

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2013-14</u>		<u>FY 2014-15</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS	\$8,000	-0-	-0-	-0-
FEDERAL FUNDS				
OTHER FUNDS				
<b>TOTAL FUNDS</b>	<b>\$8,000</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

Under subsection (2) of section 2 in LB 557 the Power Review Board (PRB) would promulgate rules and regulations to implement the provisions of the bill. The bill authorizes the PRB to establish rules that include minimum capitalization requirements and appropriate levels of ownership for any one subscriber organization. However, the PRB staff specializes in administrative and legal matters, and has little to no experience determining issues related to appropriate levels of capitalization. Therefore, the PRB would likely need to retain the services of a consultant in the area of finances and/or investments that could advise the Board when establishing its rules and regulations. The Board has limited experience in hiring experts or consultants, but the Board is told that experts normally cost \$150 to \$250 per hour. Given that the subject matter is finance and not a more specialized topic such as transmission engineering, the Board believes the cost may not be at the highest end of the spectrum. The consultant would need to conduct research on community solar gardens and provide the Board with written and possibly oral recommendations. The consultant would review and probably assist in drafting the new rules and regulations. The consultant would likely be asked to attend the public hearing held on the proposed rules and regulations, and evaluate the public comments.

The Board has very limited knowledge about the time frames the above activities may involve, but estimates that the above actions may entail approximately forty work hours of time. If the Board could retain a qualified consultant for \$200 per hour, the total estimated fiscal impact would be \$8,000. The Board believes it should be able to complete the work within one year, and thus only need funding in FY 2013-2014.

**MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2013-14 EXPENDITURES</u>	<u>2014-15 EXPENDITURES</u>
	<u>13-14</u>	<u>14-15</u>		
Benefits.....				
Operating.....			\$8,000	-0-
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
<b>TOTAL.....</b>			<b>\$8,000</b>	<b>-0-</b>