

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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**Action:** Do Pass the A-Engrossed Measure

**Vote:** 4 - 1 - 0

**Yeas:** Schrader, Starr, Verger, Metsger

**Nays:** George

**Exc.:** -

**Prepared By:** Jim Stenbridge, Administrator

**Meeting Dates:** 2/17

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**WHAT THE MEASURE DOES:** Allows above-market costs associated with compliance with renewable portfolio standard (RPS) to be recoverable in electric companies' rates. Allows above-market costs associated with compliance with a solar photovoltaic generating capacity standard to be recoverable in electric companies' rates. Declares an emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Use and availability of rate-payer public purpose funds for above-market costs

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Current statute allows recovery of prudently incurred costs, but does not specifically cite "above-market costs." Above-market costs are the difference between what electric power produced by a project is worth, at standard rates, and what it actually costs to produce the power. The costs of producing electric power from renewable sources are often higher than from non-renewable sources, such as coal or petroleum. HB 3691-A specifically includes "above-market costs."