617

BILL NUMBER: sSB 26
FILE NUMBER:
AMENDMENTS:

FISCAL NOTE(Form 1)
(Office of Fiscal Analysis)
Analyst: TN 4/28/92
las
Version: 2

TITLE: "AN ACT CONCERNING DELINQUENT UTILITY ACCOUNTS, AN INCENTIVE RATE OF RETURN FOR WATER CONSERVATION MEASURES AND RETROFIT WATER METERING OF MULTI FAMILY DWELLING UNITS"

FAVORABLY REPORTED BY Energy and Public Utilities, Public Health, Appropriations

EFFECTIVE DATE: 10/1/92

* * * * *

FISCAL IMPACT STATEMENT - BILL NUMBER sSB 26

STATE IMPACT	Potential Cost, see explanation below
MUNICIPAL IMPACT	Potential Cost, see explanation below
STATE AGENCY(S)	Department of Public Utility Control

EXPLANATION OF ESTIMATES:

STATE IMPACT: By allowing water companies a 1% to 5% return above the company's authorized rate of return for prudently incurred multi-year expenditures on conservation measures that have been successfully implemented and that the DPUC treats as operating expenses, there could be an increase in costs through higher water usage rates. This increase in costs through higher rates could be somewhat offset by a reduction in usage due to conservation efforts.

MUNICIPAL IMPACT: By allowing water companies a 1% to 5% return above the company's authorized rate of return for prudently incurred multi-year expenditures on conservation measures and a 1% to 5% return on prudently incurred expenditures for conservation measures that have been successfully implemented and that the DPUC treats as operating expenses, there could be an increase in water usage costs for the municipalities. This increase in costs through higher rates could be somewhat offset by a reduction in usage due to conservation effort.