

GREEN SHEET REDIGEST

HB 39

2020 First Extraordinary Session

Davis

UTILITIES: Provides relative to the Louisiana Electric Utility Investment Recovery Securitization Act (Item #35)

DIGEST

Relative to the La. Electric Investment Recovery Securitization Act, present law defines "investment recovery costs" as certain costs incurred or to be incurred by an electric utility when the costs are associated with the cancelled construction of electric generating or transmission facilities, costs associated with purchasing long-term supplies of fuel of any type or facilities of any type for the production, delivery, or storage of such supplies, or costs of repurchasing equity or retiring any existing indebtedness relating to any costs as provided in present law.

Proposed law expands the present law definition to include any other expenses, unrecovered costs, capital expenditures, or write-offs incurred or to be incurred by the electric utility as a result of an event designated by the governor as a state of emergency, if the expenses, unrecovered costs, capital expenditures, or write-offs are approved, in whole or in part, by the Public Service Commission (commission) as eligible for recovery from the ratepayers of the electric utility. In addition, the commission shall determine that securitization is the appropriate means of financing for expenses, unrecovered costs, capital expenditures, or write-offs after proceedings in accordance with the commission rules.

(Amends R.S. 45:1252(11)(c); Adds R.S. 45:1252(11)(d))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Makes technical changes.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the engrossed bill

1. Provides that the definition of "investment recovery costs" includes other expenses, unrecovered costs, capital expenditures, or write-offs if the other expenses, unrecovered costs, capital expenditures, or write-offs are approved, in whole or in part, by the Public Service Commission.
2. Provides that the commission's determination that securitization is appropriately made after proceedings in accordance with the Public Service Commission rules.