



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 692** HLS 25RS 2585
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: HB 583

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|---|----------|--------------------------------|
| Date: June 3, 2025 | 10:36 AM | Author: LANDRY, JACOB |
| Dept./Agy.: Energy and Natural Resources | | |
| Subject: Affordable, Reliable Energy | | Analyst: Mimi Blanchard |

ENERGY RE +\$119,859 GF EX See Note Page 1 of 1
 Establishes state policy regarding affordable, reliable energy and grid resilience

Proposed law establishes a state policy for affordable, reliable, and clean energy. It requires the Department of Energy and Natural Resources (DENR) to work with the Public Service Commission (PSC) to prioritize domestic fuel sources, except as to nuclear energy, and to support infrastructure that reduces reliance on foreign nations. Energy sources must be affordable, reliable, dispatchable, and deliver cost savings compared to federally recognized alternatives. Proposed law defines 'reliable' to include a resource's ability to contribute to grid stability, voltage regulation, and performance during stress events, not solely based on availability. Proposed law sets standards for grid stability and backup capacity for renewable sources. Proposed law defines 'green energy' to include qualifying hydrocarbons and other sources that meet federal air quality standards, and this definition applies to all state programs that fund green or clean energy initiatives.

Effective August 1, 2025.

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|---------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| State Gen. Fd. | \$119,859 | \$123,455 | \$127,159 | \$130,974 | \$134,904 | \$636,351 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$119,859 | \$123,455 | \$127,159 | \$130,974 | \$134,904 | \$636,351 |
| REVENUES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

The Department of Energy and Natural Resources (DENR) reports that they would need one (1) additional T.O. to hire a Statewide Program Manager funded by SGF. Costs for the additional T.O. are budgeted to include a 40% rate for related benefits and an annual 3% market rate adjustment.

The Statewide Program Manager will coordinate with the Public Service Commission (PSC) to implement the state's energy policy as defined in the proposed law, including classification and monitoring of energy resources for affordability, reliability, and compliance with environmental standards. The revised definition of reliability includes broader operational attributes such as grid stability, responsiveness, and performance during stress events. The position will also support stakeholder engagement, provide policy analysis, and assist with identifying infrastructure priorities to reduce reliance on foreign energy sources, excluding advanced nuclear energy, which is exempt from certain provisions. Additional in-state travel costs for site visits and coordination with energy providers may arise but are not quantifiable at this time.

Additionally, the position will support data analysis, stakeholder engagement, and contribute to legislative recommendations. Costs for data collection and sharing are expected to be minimal, as Act 727 of the 2024 RS formalized a partnership with the LSU Center for Energy Studies (CES) to develop a Statewide Energy Database.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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