



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1246: CONSUMER-REGULATED ELECTRIC UTILITIES

Prime Sponsors:

Rep. DeGraaf

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Version: Initial Fiscal Note

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill defines and establishes rules for consumer-regulated electric utilities.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Expenditures
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill defines a consumer-regulated electric utility as an electric generation and supply system used to serve new industrial, commercial, data center, or other nonresidential loads not previously served by a provider of retail electric service. Consumer-regulated electric utilities are not public utilities and therefore not regulated by the Public Utilities Commission (PUC) unless the consumer-regulated electric utility interconnects with the electric grid of a PUC-regulated public utility. Consumer-regulated electric utilities are subject to applicable federal, state, and local laws and regulations.

The bill also allows a consumer-regulated electric utility to construct and operate a facility within an existing public right-of-way, subject to applicable permitting, restoration, and public safety requirements.

State Expenditures

Establishing a definition for a consumer-regulated electric utility does not create additional regulatory requirements for the PUC or any other state or local agency. Any additional workload for the PUC to update informational materials or to respond to inquiries regarding consumer-regulated electric utilities is expected to be minimal. The bill may also increase workload and legal costs in the Department of Law if there are any claims or challenges from regulated utilities or other parties regarding the bill's scope or impacts.

Local Government

To the extent the consumer-regulated electric utilities seek access to public rights-of-way, local governments may have increased workload to review permit applications.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to electric generation and supply systems connected on or after the effective date.

State and Local Government Contacts

Colorado Energy Office
Counties
Law

Local Affairs
Public Health and Environment
Regulatory Agencies