



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1177: UTILITY ECONOMIC DEV. RATE TARIFF ADJUSTMENTS

Prime Sponsors:

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Published for: House Energy & Environment**Drafting number:** LLS 25-0707**Version:** Initial Fiscal Note**Date:** February 17, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill updates requirements for the Public Utilities Commission to regulate economic development rates.

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

- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

Under current law, a utility may charge a qualifying industrial or commercial customer a discounted economic development rate for up to ten years. The bill modifies the requirements of economic development rates, including:

- increasing the maximum location load allowable without Public Utilities Commission (PUC) approval from 20 megawatts to 40 megawatts;
- allowing utilities to request that the PUC approve an economic development rate for up to 25 years;
- requiring the PUC to consider utility's expansion of an existing clean energy program rather than a renewable energy program as under current law; and
- establishing deadlines for PUC action on applications for economic development rates.

State Expenditures

Department of Regulatory Agencies

The bill may modify the number of economic development rate applications submitted to the PUC and it specifies a regulatory timeline shorter than current practice. While this increases workload in the PUC, it is expected to be minimal and no change in appropriations is required.

Colorado Energy Office

To the extent that changing utilities' voluntary renewable energy programs to voluntary clean energy programs results in new or different applications, workload may increase in the office to file comments on those applications. This is expected to be minimal and no change in appropriations is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to applications submitted on or after that date.

State and Local Government Contacts

Colorado Energy Office

Regulatory Agencies

Law

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).