



**Colorado  
Legislative  
Council  
Staff**

**SB17-271**

**FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 17-1050  
**Prime Sponsor(s):** Sen. Cooke  
Rep. Pabon

**Date:** April 4, 2017  
**Bill Status:** Senate Agriculture  
**Fiscal Analyst:** Erin Reynolds (303-866-4146)

**BILL TOPIC:** INVESTOR-OWNED UTILITY COST RECOVERY TRANSPARENCY

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal workload increase.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> None.		

**Summary of Legislation**

The bill requires an investor-owned utility to provide an applicant who is applying for a service extension for his or her property a written cost estimate and work schedule within 35 days of receiving the application. The utility may not commence work until the applicant signs and returns the estimate and schedule along with the payment of estimated costs.

When the utility completes the service extension work, it must send the applicant an itemized statement of actual costs. If these costs exceed the estimate, the applicant is required to pay the utility the difference within 35 days of receipt. If costs are less than the estimate, the utility must refund the difference; no timeline is set in the bill for the utility refund.

The bill also establishes procedures for adding properties to the service line extension, reimbursing property owners that have already paid a portion of the costs of the extended service line, and a mechanism for enforcing the procedures set forth in the bill.

**Background**

Under current regulations, there are no cost estimate or payment deadlines; the refunds for additional properties added to a line are available only for five to ten years; and the related penalty is discretionary.

**State Expenditures**

In FY 2017-18 only, workload will minimally increase for the Public Utilities Commission to perform a review of a utility tariff filings. Because the state's two investor-owned utilities (Xcel Energy and Black Hills Energy) have similar tariffs in place currently, this one-time filing is expected to be straightforward and uncomplicated. No change in appropriations is required.

**Effective Date**

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed. It applies to all applications filed on or after this date.

**State and Local Government Contacts**

Counties

Municipalities

Regulatory Agencies