

**FINAL
FISCAL NOTE**

Drafting Number: LLS 10-0881 **Date:** May 19, 2010
Prime Sponsor(s): Rep. King S.; Bradford **Bill Status:** Deemed Lost
 Sen. Penry **Fiscal Analyst:** Marc Carey (303-866-4102)

TITLE: CONCERNING THE IMPOSITION OF A MORATORIUM ON THE CLOSURE OF COAL-SOLAR POWER PLANTS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: The bill was deemed lost on second reading in the House of Representatives on May 11, 2010.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: None.		

Summary of Legislation

This bill prohibits the closing of any coal-solar power plant, regardless of whether such closure has been approved by the Colorado Public Utilities Commission (PUC). The bill defines a coal-solar power plant as an investor-owned, coal-fired electric generation facility that augments or is being equipped to augment coal with concentrated solar power. The bill is repealed August 31, 2011.

Background

The coal-solar plant definition in the bill would appear to apply only to the Cameo Power Plant near Grand Junction. In 2009, the PUC approved Public Service Company of Colorado's (PSCo's) request to retire the Cameo 1 and 2 units within the resource acquisition period, which ends in 2015. The PUC did not specify the dates for these retirements, but instructed PSCo to determine the optimum timing for the retirements. PSCo subsequently filed an application formally requesting to close the facility at the end of 2010, in order to avoid capital costs, so that it could efficiently reassign personnel, and because replacement power was already available.

State Expenditures

By prohibiting the closure of the Cameo Power Plant, the bill would create about 73 megawatts of excess capacity for PSCo. Such excess generation capacity could, in theory, force the PUC to reconsider its resource acquisition decisions. However, such reconsideration is discretionary, and any associated costs would be conditional on the PUC's decision to reconsider. These costs have not been identified.

Departments Contacted

Regulatory Agencies