

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 12-0742  
**Prime Sponsor(s):** Rep. DelGrosso  
 Sen. Jahn

**Date:** June 1, 2012  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Marc Carey (303-866-4102)

**TITLE:** CONCERNING REGULATION OF PUBLIC UTILITIES IN TERMS OF ALTERNATIVE FUEL VEHICLES.

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
<b>FTE Position Change</b>		
<b>Effective Date:</b> The bill was signed into law by the Governor on May 3, 2012, and takes effect August 8, 2012, assuming no referendum petition is filed.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This bill contains the following provisions regarding sellers of fuel for alternative fuel vehicles and the regulatory authority of the Colorado Public Utilities Commission (PUC):

- sellers of electricity, compressed natural gas, or liquified natural gas for use as fuel in alternative fuel vehicles are not subject to the regulatory authority of the PUC or any other regulatory body; and
- generating electricity for sale as an alternative fuel does not subject the seller to PUC authority if the electricity is generated on the property which includes the fueling facilities and the electricity is generated from a renewable resource in accordance with existing retail distributed generation (DG) limitations.

In addition, the bill specifies that the sale of electricity or natural gas by a public utility to the owner of an alternative fueling facility is a retail transaction. Finally, regulated expenditures and investments made by public utilities to accommodate alternative fuel vehicles are equal in priority to other infrastructure, but subordinate to safety and reliability obligations.

**State Expenditures**

*Department of Regulatory Agencies, Public Utilities Commission.* The bill authorizes utilities to make recoverable investments related to alternative fueling facilities and authorizes the PUC to determine the appropriate rate of return. It is not anticipated that rate recovery issues related to alternative fueling facilities would be substantially different from other cost recovery components and would not require separate hearings on the part of the PUC. Instead, incorporating these issues into existing hearings would entail a minimal amount of additional work for PUC staff, and can be accomplished within existing appropriations.

**Departments Contacted**

Regulatory Agencies