



# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

### HB 26-1007: IMPROVE CUSTOMER USE DISTRIBUTED ENERGY RES

**Prime Sponsors:**

Rep. Smith; Stewart R.  
Sen. Kipp

**Fiscal Analyst:**

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

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### Summary Information

**Overview.** The bill prohibits energy providers from imposing certain restrictions on the installation or use of portable-scale solar generation devices and meter collar adapters.

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

- Minimal State Workload
- Local Government

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

| Type of Impact          | Budget Year<br>FY 2026-27 | Out Year<br>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**

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The bill prohibits a retail electric service or wholesale energy provider from requiring an individual to obtain the provider's approval before installing or using a portable-scale solar generation device. The bill prohibits anyone from restricting, prohibiting, or imposing unreasonable conditions on the installation, use, or operation of these devices.

The bill also requires the Public Utilities Commission (PUC), on or before December 31, 2026, to revise existing rules to explicitly require PUC-regulated utilities, municipally owned utilities, and cooperative electric associations to allow individuals to own and use meter collar adapters. These rules must prohibit such utilities from requiring a production meter as a condition of connecting to a customer-sited distributed energy resource.

## **State Expenditures**

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The bill increases workload in the PUC in the Department of Regulatory Agencies to revise existing rules to ensure compliance with the bill and for the Colorado Energy Office to monitor the rulemaking. It may also increase workload in the Department of Local Affairs to assist local governments with interpreting the law and amending local building codes. No change in appropriations is required.

## **Local Government**

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The bill may increase workload for certain local governments and municipally owned utilities to amend building codes and rules to comply with the bill.

## **Effective Date**

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State and Local Government Contacts**

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Colorado Energy Office

Regulatory Agencies

Local Affairs