



**Colorado
Legislative
Council
Staff**

SB17-089

**FINAL
FISCAL NOTE**

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

Drafting Number: LLS 17-0733
Prime Sponsor(s): Sen. Fenberg

Date: June 28, 2017
Bill Status: Postponed Indefinitely
Fiscal Analyst: Erin Reynolds (303-866-4146)

BILL TOPIC: ALLOW ELEC UTILITY CUSTOMER INSTALL ENERGY STORAGE EQUIP

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue	Potential increase.	
Cash Funds		
State Expenditures	Minimal workload increase.	
Appropriation Required: None.		
Future Year Impacts: None.		

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill requires the Colorado Public Utilities Commission (PUC) in the Department of Regulatory Agencies (DORA) to adopt rules governing the installation and use of electricity storage systems by residential and small commercial customers of utilities regulated by the PUC. The bill also creates certain requirements related to utility interconnection, approval, and charges. Utility employees who do not substantially comply with PUC rules governing electricity storage systems commit a Class 2 misdemeanor.

Comparable Crime

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. The bill creates a Class 2 misdemeanor offense for failure to comply with PUC rules governing electricity storage systems. Penalties for a Class 2 misdemeanor are 3 to 12 months in jail, \$250 to \$1000 in fines, or both. In the past three years, there have been no convictions of this offense.

State Revenue

Beginning in FY 2017-18, this bill may increase state cash fund revenue from fines and fees by a minimal amount. The fine penalty for a Class 2 misdemeanor ranges between \$250 and \$1,000, credited to the Fines Collection Cash Fund in the Judicial Department. Because the courts

have the discretion of incarceration, imposing a fine, or both, the precise impact to state revenue cannot be determined. However, based on no convictions of this offense in the past three years, the fiscal note assumes that utilities and their employees will comply with the law. To the extent that misdemeanors occur under the bill, state fee revenue credited to the General Fund and various cash funds for court- and probation-related costs may increase.

State Expenditures

Beginning in FY 2017-18, the bill will have the following workload impacts on DORA and the Judicial Department.

Department of Regulatory Agencies. The PUC is a full-time, paid commission that meets regularly to consider a docketed agenda through administrative law proceedings, and carry out rulemaking as a part of its base ongoing workload. The PUC's Electric Rules currently include standards for the interconnection of distributed generation, so it is expected that the commission will be able to adopt additional rules under the bill within current workloads and appropriations in FY 2017-18.

Judicial Department. Beginning in FY 2017-18, the bill may increase case filings, which will increase workload for the trial courts. The expected increase in the courts' workload is minimal and can be accomplished within existing appropriations.

Local Government Impact

County courts. The bill may increase workload for district attorneys to prosecute any new misdemeanor offenses under the bill. To the extent that this bill increases misdemeanor convictions and offenders are sentenced to jail, costs will increase. Under current law, a court may sentence an offender to jail for a class 2 misdemeanor for a period of between 3 and 12 months. Because the courts have the discretion of incarceration or imposing a fine, the precise impact at the local level cannot be determined. The cost to house an offender in county jails varies from about \$53 to \$114 per day.

Denver County court. The bill may result in an increase fine revenue and workload related to misdemeanor cases in the Denver County Court, managed and funded by the City and County of Denver. Probation services may also experience a minimal increase in revenue and workload to supervise persons convicted under the bill.

Effective Date

The bill was postponed indefinitely by the Senate Business, Labor, and Technology Committee on February 8, 2017.

State and Local Government Contacts

Law Regulatory Agencies