



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 19-1003**

**FISCAL NOTE**

**Drafting Number:** LLS 19-0692  
**Prime Sponsors:** Rep. Hansen

**Date:** January 14, 2019  
**Bill Status:** House Energy & Environment  
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**Bill Topic:** COMMUNITY SOLAR GARDENS MODERNIZATION ACT

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>minimal</i> )	<input checked="" type="checkbox"/> Local Government ( <i>minimal, not estimated</i> )
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill increases the maximum size of a community solar garden from two to ten megawatts and modifies requirements related to subscriber location. In FY 2019-20 only, the bill creates a minimal workload increase for state government. The impact on local governments is expected to be minimal and has not been estimated.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Summary of Legislation**

This bill modifies the definition of "community solar garden" (CSG) to mean a solar electric generation facility with a nameplate rating of ten megawatts. Under current law, the limit is two megawatts. The bill also modifies the definition of "subscriber" so that customers no longer need to be in the same or adjacent county as the CSG, but only the service territory of the qualifying retail utility.

**Background**

Under current law, community solar gardens (defined as generating less than two megawatts of electricity) are valued by the county assessor, while solar energy facilities (defined as generating more than two megawatts of electricity) are valued by the State Assessed section of the Division of Property Taxation in the Department of Local Affairs because these facilities are considered public utilities.

According to Xcel Energy's 2017 Renewable Energy Standard Compliance Report, there were 86 community solar garden projects either operational or approved with 33.5 megawatts of operational and 112 megawatts potential as of 2017 in Colorado.

## **State Expenditures**

In FY 2019-20 only, the Department of Regulatory Agencies and the Department of Local Affairs will have an increased workload to implement the bill.

**Department of Regulatory Agencies.** The Public Utilities Commission will perform rulemaking to conform with the bill in FY 2019-20. This rulemaking can be accomplished within the normal course of the commission's business.

**Department of Local Affairs.** The Division of Property Taxation will have a minimal workload increase to amend existing property statement forms for renewable energy properties and develop procedures for assessing community solar gardens above two megawatts in FY 2019-20. The division will also need to determine the eligibility of each community solar garden for the partial personal property exemption. These workload increases can be accomplished within existing resources.

## **Local Government**

Any local property tax decrease is expected to be minimal and will depend on future community solar garden development; therefore, it has not been estimated for this fiscal note.

## **Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

## **State and Local Government Contacts**

Colorado Energy Office  
Local Affairs

Counties  
Regulatory Agencies

Information Technology