

HB 25-1260: ELECTRICAL GENERATION & DISTRIBUTION RESILIENCY

Prime Sponsors: Rep. DeGraaf Sen. Pelton R. **Fiscal Analyst:** Shukria Maktabi, 303-866-4720 shukria.maktabi@coleg.gov

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Fiscal note status: The revised fiscal note reflects the introduced bill, as amended by the House Energy and Environment Committee and House Finance Committee.

Summary Information

Overview. The bill requires evaluating and reporting on the state's electric generation and grid resilience against geomagnetic storms.

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

Minimal State Workload

Appropriations. No appropriation is required.

Table 1 State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

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Summary of Legislation

The bill requires certain electric utilities to report on the reliability of electrical generation and grid resilience against geomagnetic storms to the Public Utilities Commission (PUC) in the Department of Regulatory Agencies (DORA). By January 2027, DORA must include the results of the submitted reports in its SMART Act Hearing.

Background

Geomagnetic Storms

A geomagnetic storm is a space weather phenomenon caused by solar activity. It creates strong magnetic fields that can damage satellites and terrestrial electronics, including electricity infrastructure.

State Expenditures

Workload will minimally increase in FY 2026-27 only for the PUC to receive reporting on utilities' infrastructure resilience, and provide an update during its SMART Act Hearing. This workload can be accomplished within existing appropriations.

Effective Date

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

Colorado Energy Office

Law

Public Health and Environment Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the <u>General Assembly website</u>.