

Rep. DelGrosso Fiscal Analyst: Marc Carey (303-866-4102)

TITLE: CONCERNING A REQUIREMENT THAT ENERGY UTILITIES DISCLOSE COSTS

ASSOCIATED WITH CUSTOMERS' UTILITY BILLS.

Summary of Legislation

This bill requires all investor-owned gas and electric utilities (IOUs) to provide their customers with information on factors affecting utility rates on a quarterly basis. Specifically, the bill requires electric utilities to provide information on:

- the types of fuels used to generate electricity;
- the percentage of the utility's electricity attributable to each fuel type used;
- the load profile for each, and
- the total cost of generating electricity per kilowatt-hour for each.

The cost calculation is to include all ancillary costs associated with that fuel type. Natural gas utilities are also required to provide information on the cost per thousand cubic feet of gas under contract, and all ancillary costs, including the costs of underground storage and pipeline expansions.

Finally, the bill specifies that the IOUs costs of revising the format of their current utility bills to provide the additional information may be recovered through rates. The bill takes effect August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.

Assessment

This bill requires IOUs to provide customers with information on factors affecting utility rates on a quarterly basis. Although IOUs are regulated by the Colorado Public Utilities Commission (PUC), the bill requires no rulemaking or other action by the PUC, and thus does not impact the agency's workload. In addition, while the bill allows utilities to recover compliance costs through rate adjustments, such costs are assumed to be minimal. Thus, the bill is assessed as having no fiscal impact.

Departments Contacted

Regulatory Agencies