

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-1035 **Date:** April 17, 2015
Prime Sponsor(s): Rep. Coram; Mitsch Bush **Bill Status:** House Transportation & Energy
Fiscal Analyst: Marc Carey (303-866-4102)

BILL TOPIC: LIMITED SCOPE INSPECTIONS HYDROELECTRIC PROJECTS

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Minimal workload increase.	
FTE Position Change		
Appropriation Required: None		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

House Bill 14-1030 amended the inspection standards for small hydroelectric generation equipment to align with the minimum standards in the 2011 National Electrical Code for small wind electrical production. This code provides specific limited installation and maintenance requirements for small wind electrical production but does not provide for limited inspections when adapted to hydroelectric energy facilities connected to an electric utility's distribution lines. This bill clarifies that limited inspections apply to small hydroelectric facilities:

- regardless of whether the facilities are connected to utility or other distribution lines; and
- for both inverter-based and induction-based hydroelectric facilities generating 100 kilowatts or less.

Background

The Federal Energy Regulatory Commission (FERC) and the State of Colorado through the Colorado Energy Office (CEO) have an agreement to develop procedures to streamline and simplify the authorization process for small scale hydropower projects. The CEO conducted a pilot project for adding small scale hydropower facilities to existing infrastructure and was able to reduce the amount of time required to complete a project. State agencies that comment on the review of a FERC application include the Division of Parks and Wildlife, Division of Water Resources, Department of Public Health and Environment, and State Historical Society.

State Expenditures

Department of Regulatory Agencies (DORA). The State Electrical Board in the DORA will have minimal expenses associated with updating rules. These can be covered with existing appropriations.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Colorado Energy Office

Natural Resources

Regulatory Agencies