



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-127: OPTIMIZING COLORADO ELECTRIC TRANSMISSION SYSTEM

Prime Sponsors:
Sen. Simpson; Roberts

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Fiscal note status: The revised fiscal note reflects the introduced bill, as amended by the Senate Transportation and Energy Committee.

Summary Information

Overview. The bill requires utilities to evaluate advanced transmission technologies in their electric resource plans.

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

- Minimal State Workload
- Statutory Public Entity

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

Summary of Legislation

The bill directs the Colorado Electric Transmission Authority (CETA) to study advanced transmission technology and maintain a statewide transmission model. It must create a statewide transmission plan by September 1, 2027, and update the plan every three years.

The bill requires electric utilities and wholesale electric cooperatives, in their filings with the Public Utilities Commission (PUC) in the Department of Regulatory Agencies, to evaluate the use of advanced transmission technologies. They may consult with the Colorado Electric Transmission Authority (CETA) to evaluate their plans. If they do not include the evaluation, they must explain why advanced transmission technologies are not more cost-effective in meeting the goals specified in the bill.

The PUC may also investigate incentives for advanced transmission technologies that provide transmission congestion relief, interconnect new generation, reduce wildfire risk, or mitigate public safety power shutoffs. Any incentives may consider shared savings approaches, performance incentive mechanisms, and consumer protections.

The bill adds a representative of the PUC to CETA's board of directors as a nonvoting member.

State Expenditures

The bill minimally increases workload in the Department of Regulatory Agencies beginning in FY 2025-26. Although it requires utilities to file additional information with the PUC, this is materially similar to the transmission information that utilities are already required to submit, and any additional review by PUC can be accomplished within existing appropriations. Workload will also increase for a PUC representative to serve on the CETA board.

Statutory Public Entity

The bill may increase expenditures in CETA to consult with utilities regarding advanced transmission technologies and to pay for any additional costs associated with board activities. These expenditures are expected to be minimal.

Local Government

The bill increases workload for municipal utilities that file additional transmission information with the PUC. This is expected to be minimal.

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 Electric Transmission Authority	Law
Colorado Energy Office	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 [General Assembly website](#).