



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

# Initiative 93

## Fiscal Summary

---

<b>Date:</b>	April 18, 2022	<b>Fiscal Analyst:</b>	Christina Van Winkle (303-866-6289)
--------------	----------------	------------------------	-------------------------------------

---

### LCS TITLE: PERCENTAGE OF UTILITY RATES PAID BY INVESTOR-OWNED UTILITIES

#### Fiscal Summary of Initiative 93

This fiscal summary, prepared by the nonpartisan Director of Research of the Legislative Council, contains a preliminary assessment of the measure's fiscal impact. A full fiscal impact statement for this initiative is or will be available at [www.colorado.gov/bluebook](http://www.colorado.gov/bluebook). This fiscal summary identifies the following impact.

**State expenditures.** By requiring the Public Utilities Commission to adopt rules and determine rates of profits to be paid by investor-owned utilities, Initiative 93 will increase workload for the Department of Regulatory Agencies and the Department of Law to account for this in case filing with the Public Utilities Commission.

**State revenue.** By increasing the administrative costs incurred by the Public Utilities Commission, Initiative 93 will increase fee revenue by a minimal amount to the Department of Regulatory Agencies. Administrative costs are paid from the Fixed Utility Fund, which receives an annual assessment on the state's regulated utilities, which must be raised to cover additional administrative expenses.

**Economic impacts.** By requiring investor-owned utilities to pay a percentage of all rates from their profits, gas and electric rates for consumers may decrease if all other rate-setting factors are held constant, which would increase available money for consumers to spend elsewhere in the economy and decrease profits retained by investor-owned utilities. The amount of any savings will depend on decisions made by the Public Utilities Commission and how it accounts for the required percentage paid from profits as part of the broader rate setting process for investor-owned utilities.