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- To: Natural Resources Subcommittee
- From: Ben Ruef, Legislative Fiscal Office

Date: June 11, 2025

Subject: HB 3179 – Relating to public utilities Work Session Recommendations

House Bill 3179 requires electric and natural gas utilities to submit cumulative economic impact analyses with proposed residential rate increases. The Public Utility Commission (PUC) must consider this information, including bill trends, seasonal costs, and hardship data, when determining if rates are fair and reasonable.

The bill prohibits residential rate hikes from November 1 to March 31 and allows the PUC to defer or phase in increases. Until January 2, 2027, certain increases must be spaced at least 18 months apart. Utilities must file multiyear rate plans every 3–7 years.

It expands rate recovery bond eligibility to cover major capital costs, asset retirements, remediation, and energy supply disruptions. Utilities must also publish visual rate breakdowns and report annually on expected rate changes.

PUC will hire two permanent full-time Economist 4 positions (1.50 FTE) to develop multiyear rate plan rules and assess the economic impact of residential rate increases.

The -A9 amendment adds \$463,653 Other Funds expenditure limitation to the PUC budget for the 2025-27 biennium. Funding comes from assessed annual fees on regulated utilities.

Amendment

LFO recommends adoption of the –A9 amendment.

MOTION: I move adoption of the –A9 amendment to HB 3179. (vote)

Final Subcommittee Action

LFO recommends that HB 3179, as amended by the –A9 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 3179, as amended, to the Full Committee with a do pass recommendation. (vote)

Carriers

Full Committee:	
House Floor:	
Senate Floor:	