

Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0307.02 Jery Payne x2157

HOUSE BILL 26-1124

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HOUSE SPONSORSHIP

DeGraaf,

SENATE SPONSORSHIP

(None),

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House Committees  
Energy & Environment

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE RESILIENCY OF THE SYSTEMS THAT PROVIDE  
102 ELECTRICITY.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill creates the Colorado electric grid resiliency task force (task force) to study the issue of grid resilience and to make recommendations to the governor and the general assembly. The task force is 18 members.

The president of the senate and the speaker of the house of representatives shall organize and call the first meeting of the task force

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

by November 28, 2026. The task force meets at least once every month until it completes its duties, but the chair may call additional meetings. Upon request by the task force, the department of regulatory agencies shall provide office space, equipment, and staff services as necessary.

The task force has the following duties on a biennial basis:

- Doing a rigorous, uniform engineering assessment of every covered transformer in Colorado;
- Developing a prioritized statewide hardening and spare-transformer plan with cost estimates, cost-benefit analyses, and recommended funding mechanisms;
- Recommending rules, legislation, and interstate or federal cost-sharing arrangements and publishing a report detailing these recommendations; and
- Reporting its findings to the house of representatives energy and environment committee and the senate transportation and energy committee.

The bill sets minimum technical standards for the assessment, plan, and recommendations.

A transmission-owning entity must participate in the task force assessment and provide any requested data. These entities may recover reasonable and prudent costs incurred to comply with the bill through rates, member assessments, or ordinary budgeting processes.

Owners or operators of covered transformers are required to file with the federal energy regulatory commission a report, marked as "Critical Energy/Electric Infrastructure Information". Standards are set for the report. Biennially, the public utilities commission must prepare a summary of the report and present it to the house of representatives energy and environment committee and the senate transportation and energy committee.

The public utilities commission must adopt rules requiring implementation of the highest-priority hardware-based mitigation measures identified by the task force unless equivalent protection is demonstrated.

The task force repeals on September 1, 2031. Before the repeal, it is scheduled for review under the sunset law.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2           **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds and declares that:

4           (a) Colorado's electric grid is vulnerable to severe space weather  
5 events and to the late-time component of a high-altitude electromagnetic

1 pulse;

2 (b) Geomagnetically induced currents entering the grid through  
3 grounded transformer neutrals can cause half-cycle saturation, excessive  
4 reactive power consumption, harmonic distortion, and catastrophic failure  
5 of extra-high-voltage transformers that require 3 to 6 years or longer to  
6 replace;

7 (c) Not all transmission-owning entities in Colorado are subject  
8 to the jurisdiction of the public utilities commission;

9 (d) A coordinated, statewide approach that includes  
10 investor-owned utilities, rural electric cooperatives and their wholesale  
11 providers, municipal utilities, and federal power marketing  
12 administrations is essential;

13 (e) In 2013, President Barack Obama recognized the electric grid  
14 as one of the nation's most vital critical infrastructure sectors in  
15 presidential policy directive 21 and executive order 13636, declaring that  
16 its incapacity or destruction "would have a debilitating impact on security,  
17 national economic security, national public health or safety, or any  
18 combination of those matters", thereby establishing grid resiliency as an  
19 urgent, bipartisan national priority; and

20 (f) Targeted, hardware-based hardening represents a prudent,  
21 cost-effective insurance policy against potentially catastrophic blackouts.

22 **SECTION 2.** In Colorado Revised Statutes, **add** article 44 to title  
23 40 as follows:

24 **ARTICLE 44**

25 **Electric Grid Resiliency**

26 **40-44-101. Definitions.**

27 (1) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION.

1           (2) "COVERED ENTITY" MEANS A PERSON THAT OWNS OR OPERATES  
2 A COVERED TRANSFORMER.

3           (3) "COVERED TRANSFORMER" MEANS A POWER TRANSFORMER OR  
4 GENERATOR STEP-UP TRANSFORMER WITH A HIGH-SIDE OPERATING  
5 VOLTAGE OF ONE HUNDRED KILOVOLTS OR MORE AND A NAMEPLATE  
6 RATING OF TWENTY-FIVE MILLION VOLT-AMPERES OR MORE LOCATED IN  
7 COLORADO OR SERVING COLORADO LOAD.

8           (4) (a) "HARDWARE-BASED MITIGATION" MEANS THE USE OF  
9 ADVANCED SYSTEMS, DEVICES, AND MATERIALS IN HARDWARE TO  
10 ENHANCE THE RESILIENCE AND RELIABILITY OF ELECTRIC GRID  
11 COMPONENTS.

12           (b) "HARDWARE-BASED MITIGATION" INCLUDES THE  
13 DEVELOPMENT OF TRANSFORMER RESILIENCE, SOLID-STATE POWER  
14 SUBSTATIONS, AND MICROGRIDS.

15           (5) "TASK FORCE" MEANS THE COLORADO ELECTRIC GRID  
16 RESILIENCY TASK FORCE CREATED IN SECTION 40-44-102.

17           (6) (a) "TRANSMISSION-OWNING ENTITY" MEANS A PERSON THAT  
18 OWNS, OPERATES, OR CONTROLS COVERED TRANSFORMERS.

19           (b) "TRANSMISSION-OWNING ENTITY" INCLUDES INVESTOR-OWNED  
20 UTILITIES, COOPERATIVE ELECTRIC ASSOCIATIONS, MUNICIPALLY OWNED  
21 UTILITIES, WHOLESALE GENERATION AND TRANSMISSION PROVIDERS, AND  
22 FEDERAL POWER MARKETING ADMINISTRATIONS.

23           **40-44-102. Colorado electric grid resiliency task force -**  
24 **creation - membership.**

25           (1) **Creation and duration.** THE COLORADO ELECTRIC GRID  
26 RESILIENCY TASK FORCE IS CREATED TO STUDY THE ISSUE OF GRID  
27 RESILIENCE AND TO MAKE RECOMMENDATIONS TO THE GOVERNOR AND

1 THE GENERAL ASSEMBLY.

2 (2) **Membership.** THE TASK FORCE CONSISTS OF THE FOLLOWING  
3 EIGHTEEN MEMBERS:

4 (a) (I) (A) FOUR LEGISLATIVE MEMBERS, APPOINTED BY THE  
5 PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF  
6 REPRESENTATIVES, WITH TWO MEMBERS FROM EACH CHAMBER AND TWO  
7 MEMBERS FROM EACH MAJOR POLITICAL PARTY, AS DEFINED IN SECTION  
8 1-1-104 (22);

9 (B) THE DIRECTOR OF THE COLORADO RESILIENCY OFFICE  
10 ESTABLISHED IN SECTION 24-32-121 WITHIN THE DEPARTMENT OF LOCAL  
11 AFFAIRS, OR THE DIRECTOR'S DESIGNEE;

12 (C) THE DIRECTOR OF THE DIVISION OF HOMELAND SECURITY AND  
13 EMERGENCY MANAGEMENT CREATED IN SECTION 24-33.5-1603 WITHIN  
14 THE DEPARTMENT OF PUBLIC SAFETY, OR THE DIRECTOR'S DESIGNEE; AND

15 (D) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF  
16 REGULATORY AGENCIES, OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

17 (II) THE MEMBERS APPOINTED PURSUANT TO SUBSECTIONS  
18 (2)(a)(I)(A) TO (2)(a)(I)(D) OF THIS SECTION CONSTITUTE A PANEL THAT  
19 SHALL APPOINT BY MAJORITY VOTE:

20 (A) TWO REPRESENTATIVES OF INVESTOR-OWNED UTILITIES;

21 (B) TWO REPRESENTATIVES OF RURAL ELECTRIC COOPERATIVES OR  
22 RURAL ELECTRIC WHOLESALE PROVIDERS;

23 (C) TWO REPRESENTATIVES OF MUNICIPALLY OWNED ELECTRIC  
24 UTILITIES, EITHER A SINGLE UTILITY OR JOINT ACTION AGENCIES CREATED  
25 BY MULTIPLE MUNICIPALLY OWNED ELECTRIC UTILITIES;

26 (D) ONE REPRESENTATIVE OF A MULTISTATE GENERATION AND  
27 TRANSMISSION ASSOCIATION;

1 (E) ONE MEMBER WITH TECHNICAL EXPERTISE IN ENGINEERING  
2 RELATED TO GEOMAGNETICALLY INDUCED CURRENTS AND HIGH-ALTITUDE  
3 ELECTROMAGNETIC PULSES;

4 (F) ONE MEMBER WITH TECHNICAL EXPERTISE IN TRANSMISSION  
5 PLANNING; AND

6 (G) ONE REPRESENTATIVE OF LARGE INDUSTRIAL POWER USERS.

7 (III) A UTILITY OR AN ASSOCIATION OF UTILITIES MAY NOMINATE  
8 INDIVIDUALS DESCRIBED IN SUBSECTIONS (2)(a)(II)(A) TO (2)(a)(II)(G) OF  
9 THIS SECTION TO THE PANEL DESCRIBED IN THE INTRODUCTORY PORTION  
10 OF SUBSECTION (2)(a)(II) OF THIS SECTION.

11 (b) THE CHIEF EXECUTIVE OFFICER OF THE WESTERN AREA POWER  
12 ADMINISTRATION WITHIN THE UNITED STATES DEPARTMENT OF ENERGY,  
13 OR THE CHIEF EXECUTIVE OFFICER'S DESIGNEE.

14 (3) **Appointment authority - terms.**

15 (a) (I) THE APPOINTING AUTHORITIES DESCRIBED IN SUBSECTION  
16 (2)(a)(I)(A) OF THIS SECTION SHALL MAKE THEIR INITIAL APPOINTMENTS  
17 TO THE TASK FORCE NO LATER THAN SEPTEMBER 12, 2026. THE MEMBERS  
18 APPOINTED UNDER SUBSECTION (2)(a)(I)(A) OF THIS SECTION SERVE A  
19 TERM OF TWO YEARS. THE MEMBERS APPOINTED UNDER SUBSECTION  
20 (2)(a)(II) OF THIS SECTION SERVE A TERM OF FOUR YEARS.

21 (II) THE PANEL DESCRIBED IN SUBSECTION (2)(a)(II) OF THIS  
22 SECTION SHALL MAKE ITS INITIAL APPOINTMENTS TO THE TASK FORCE NO  
23 LATER THAN OCTOBER 30, 2026.

24 (b) EACH MEMBER OF THE TASK FORCE WHO IS APPOINTED UNDER  
25 SUBSECTION (2) OF THIS SECTION SERVES AT THE PLEASURE OF THE  
26 APPOINTING OFFICIAL. IF A TASK FORCE MEMBER IS REMOVED BY THE  
27 APPOINTING AUTHORITY OR RESIGNS, THE APPOINTING AUTHORITY SHALL

1 APPOINT ANOTHER MEMBER TO FILL THE VACANCY WITHIN FORTY-EIGHT  
2 DAYS FOLLOWING THE REMOVAL.

3 (4) **Remuneration.**

4 (a) NOTWITHSTANDING SECTION 2-2-326, EACH LEGISLATIVE  
5 MEMBER OF THE TASK FORCE SERVES WITHOUT COMPENSATION BUT IS  
6 ENTITLED TO RECEIVE REIMBURSEMENT FOR ACTUAL AND NECESSARY  
7 EXPENSES INCURRED IN THE PERFORMANCE OF THE MEMBER'S DUTIES ON  
8 THE TASK FORCE.

9 (b) THE NONLEGISLATIVE MEMBERS OF THE TASK FORCE SERVE  
10 WITHOUT COMPENSATION AND WITHOUT REIMBURSEMENT FOR EXPENSES;  
11 EXCEPT THAT A TASK FORCE MEMBER WHO IS A STATE EMPLOYEE MAY BE  
12 PAID IN ACCORDANCE WITH THE STATE EMPLOYEE'S NORMAL PAY.

13 (5) **Meetings.**

14 (a) THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE  
15 HOUSE OF REPRESENTATIVES SHALL ORGANIZE AND CALL THE FIRST  
16 MEETING OF THE TASK FORCE BY NOVEMBER 28, 2026.

17 (b) THE TASK FORCE SHALL ELECT A CHAIR FROM AMONG ITS  
18 MEMBERS.

19 (c) THE TASK FORCE SHALL MEET AT LEAST ONCE EVERY MONTH  
20 UNTIL IT COMPLETES ITS DUTIES DESCRIBED IN SECTION 40-44-103. THE  
21 CHAIR MAY CALL SUCH ADDITIONAL MEETINGS AS ARE NECESSARY FOR  
22 THE TASK FORCE TO COMPLETE ITS DUTIES.

23 (6) **Department of regulatory agencies support.** UPON REQUEST  
24 BY THE TASK FORCE, THE DEPARTMENT OF REGULATORY AGENCIES SHALL  
25 PROVIDE OFFICE SPACE, EQUIPMENT, AND STAFF SERVICES AS MAY BE  
26 NECESSARY TO IMPLEMENT THIS ARTICLE 44.

27 **40-44-103. Task force duties.**

1           (1) **Duties.** THE TASK FORCE SHALL:

2           (a) ON OR BEFORE JULY 1, 2028, AND JULY 1 OF EACH  
3 EVEN-NUMBERED YEAR THEREAFTER, COMPLETE OR CAUSE TO BE  
4 COMPLETED A RIGOROUS, UNIFORM ENGINEERING ASSESSMENT OF EVERY  
5 COVERED TRANSFORMER IN COLORADO;

6           (b) ON OR BEFORE JULY 1, 2028, AND JULY 1 OF EACH  
7 EVEN-NUMBERED YEAR THEREAFTER, DEVELOP A PRIORITIZED STATEWIDE  
8 HARDENING AND SPARE-TRANSFORMER PLAN WITH COST ESTIMATES,  
9 COST-BENEFIT ANALYSES, AND RECOMMENDED FUNDING MECHANISMS;

10          (c) RECOMMEND RULES, LEGISLATION, AND INTERSTATE OR  
11 FEDERAL COST-SHARING ARRANGEMENTS;

12          (d) ON OR BEFORE NOVEMBER 15, 2028, AND NOVEMBER 15 OF  
13 EACH EVEN-NUMBERED YEAR THEREAFTER, PUBLISH A REPORT DETAILING  
14 ITS RECOMMENDATIONS CONCERNING CHANGING OR PROPOSING NEW  
15 RULES, LEGISLATION, OR INTERSTATE OR FEDERAL COST-SHARING  
16 ARRANGEMENTS; AND

17          (e) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), ON OR  
18 BEFORE FEBRUARY 1, 2029, AND FEBRUARY 1 OF EACH ODD-NUMBERED  
19 YEAR THEREAFTER, REPORT ITS FINDINGS DETAILED IN THE REPORT  
20 PUBLISHED IN ACCORDANCE WITH SUBSECTION (1)(d) OF THIS SECTION TO  
21 THE HOUSE OF REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE  
22 AND THE SENATE TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR  
23 SUCCESSOR COMMITTEES.

24          (2) **Minimum technical standards.** IN COMPLETING THE DUTIES  
25 DETAILED IN SUBSECTION (1) OF THIS SECTION, THE TASK FORCE MUST:

26          (a) USE THE LATE-TIME (E3) HIGH-ALTITUDE ELECTROMAGNETIC  
27 PULSE WAVEFORM AND PARAMETERS SPECIFIED IN FIGURE A.5 OF

1 INTERNATIONAL ELECTROTECHNICAL COMMISSION STANDARD  
2 61000-2-9:2025, WITH A PEAK ELECTRIC FIELD OF EIGHTY-FIVE VOLTS PER  
3 KILOMETER AND A PEAK MAGNETIC FIELD OF TWENTY THOUSAND  
4 NANOTESLAS FOR TYPICAL LOW-CONDUCTIVITY GROUND;

5 (b) MODEL OPERATING CONDITIONS AT FULL RATED LOAD AT THE  
6 TIME OF EXPOSURE;

7 (c) APPLY AGE AND CONDITION DE-RATING PURSUANT TO  
8 INSTITUTE OF ELECTRICAL AND ELECTRONICS ENGINEERS STANDARD  
9 C57.91-2011 AND C57.110-2018;

10 (d) INCORPORATE SITE-SPECIFIC OR BEST-AVAILABLE REGIONAL  
11 GROUND CONDUCTIVITY MODELS; AND

12 (e) QUANTIFY, FOR EACH COVERED TRANSFORMER, SUSCEPTIBILITY  
13 TO HALF-CYCLE SATURATION, GEOMAGNETICALLY-INDUCED-CURRENT  
14 DRIVEN HARMONICS, REACTIVE POWER ABSORPTION, AND HOT-SPOT  
15 HEATING OR INSULATION DEGRADATION.

16 **40-44-104. Mandatory participation and cost recovery.**

17 (1) A TRANSMISSION-OWNING ENTITY SHALL PARTICIPATE IN THE  
18 TASK FORCE ASSESSMENT DESCRIBED IN SECTION 40-44-103 AND PROVIDE  
19 ANY REQUESTED DATA.

20 (2) REASONABLE AND PRUDENT COSTS INCURRED TO COMPLY WITH  
21 THIS ARTICLE 44 OR RULES ADOPTED UNDER THIS ARTICLE 44 ARE  
22 RECOVERABLE THROUGH RATES, MEMBER ASSESSMENTS, OR ORDINARY  
23 BUDGETING PROCESSES.

24 **40-44-105. Reporting.**

25 (1) ON OR BEFORE DECEMBER 31, 2027, AND DECEMBER 31 OF  
26 EACH ODD-NUMBERED YEAR THEREAFTER, A COVERED ENTITY SHALL FILE  
27 WITH THE FEDERAL ENERGY REGULATORY COMMISSION A REPORT,

1 MARKED AS "CRITICAL ENERGY/ELECTRIC INFRASTRUCTURE  
2 INFORMATION", CONTAINING:

3 (a) TRANSFORMER SPECIFICATIONS AND INFORMATION, INCLUDING:

4 (I) TRANSFORMER MANUFACTURERS;

5 (II) COUNTRY AND DATE OF MANUFACTURE;

6 (III) DATE ENERGIZED;

7 (IV) GENERAL LOCATION AND FUNCTION;

8 (V) DETAILED DESIGN DATA, INCLUDING CORE TYPE, WINDING  
9 CONFIGURATION, MEASURED OR CALCULATED DIRECT CURRENT  
10 RESISTANCE, AND SINGLE-PHASE OR THREE-PHASE POWER; AND

11 (VI) MEGAVOLT-AMPERES RATING AND VOLTAGE RATIO;

12 (b) SUSCEPTIBILITY FINDINGS AS DESCRIBED IN SECTION 40-44-103  
13 (2)(e);

14 (c) ESTIMATED REPLACEMENT COST AND LEAD TIME;

15 (d) RECOMMENDED MITIGATION MEASURES AND COST ESTIMATES,  
16 TO INCLUDE:

17 (I) EXPLICIT CATEGORIZATION OF OPTIONS BY COST TIER AND  
18 EFFECTIVENESS, WITH A PREFERENCE FOR HARDWARE UPGRADES OVER  
19 DEPLOYING SPARE HARDWARE;

20 (II) INTERSTATE COST-SHARING OPTIONS; AND

21 (III) COST-BENEFIT ANALYSES OF MITIGATION STRATEGIES;

22 (e) A PRIORITIZED LIST FOR HARDENING OR SPARE PROCUREMENT  
23 FOCUSED ON AUTOMATIC, NONPROCEDURAL HARDWARE-BASED  
24 MITIGATION, BUT REACTIVE OPERATIONAL PROCEDURES ALONE ARE NOT  
25 SUFFICIENT PROTECTION UNDER THIS SUBSECTION (1)(e), WITH BLOCKING  
26 OR SIGNIFICANTLY REDUCING GEOMAGNETICALLY INDUCED CURRENTS  
27 FLOW AS THE PRIMARY FOCUS; AND

1 (f) RECOMMENDED FUNDING MECHANISMS, INCLUDING FEDERAL  
2 GRANTS AND RATE RECOVERY.

3 (2) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), ON OR  
4 BEFORE FEBRUARY 1, 2029, AND FEBRUARY 1 OF EACH ODD-NUMBERED  
5 YEAR THEREAFTER, THE COMMISSION SHALL PREPARE A SUMMARY OF THE  
6 REPORTS DESCRIBED IN SUBSECTION (1) OF THIS SECTION AND PRESENT IT  
7 TO THE HOUSE OF REPRESENTATIVES ENERGY AND ENVIRONMENT  
8 COMMITTEE AND THE SENATE TRANSPORTATION AND ENERGY COMMITTEE,  
9 OR THEIR SUCCESSOR COMMITTEES.

10 **40-44-106. Sunset review - repeal.**

11 SECTIONS 40-44-102 TO 40-44-105 ARE REPEALED, EFFECTIVE  
12 SEPTEMBER 1, 2031. BEFORE THE REPEAL, SECTIONS 40-44-102 TO  
13 40-44-104 ARE SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION  
14 2-3-1203.

15 **40-44-107. Rules.**

16 ON OR BEFORE JULY 1, 2029, THE COMMISSION SHALL ADOPT RULES  
17 APPLICABLE TO ENTITIES UNDER ITS JURISDICTION REQUIRING  
18 IMPLEMENTATION OF THE HIGHEST-PRIORITY HARDWARE-BASED  
19 MITIGATION MEASURES IDENTIFIED BY THE TASK FORCE UNLESS  
20 EQUIVALENT PROTECTION IS DEMONSTRATED.

21 **SECTION 3.** In Colorado Revised Statutes, 2-3-1203, **add**  
22 (22)(a)(IX) as follows:

23 **2-3-1203. Sunset review of advisory committees - legislative**  
24 **declaration - definition - repeal.**

25 (22) (a) The following statutory authorizations for the designated  
26 advisory committees will repeal on September 1, 2031:

27 (IX) THE COLORADO ELECTRIC GRID RESILIENCY TASK FORCE

1       CREATED IN SECTION 40-44-102.

2               **SECTION 4. Act subject to petition - effective date.** This act  
3       takes effect at 12:01 a.m. on the day following the expiration of the  
4       ninety-day period after final adjournment of the general assembly (August  
5       12, 2026, if adjournment sine die is on May 13, 2026); except that, if a  
6       referendum petition is filed pursuant to section 1 (3) of article V of the  
7       state constitution against this act or an item, section, or part of this act  
8       within such period, then the act, item, section, or part will not take effect  
9       unless approved by the people at the general election to be held in  
10      November 2026 and, in such case, will take effect on the date of the  
11      official declaration of the vote thereon by the governor.