

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 17-0035.01 Jennifer Berman x3286

HOUSE BILL 17-1227

HOUSE SPONSORSHIP

Winter and Lawrence, Covarrubias, McKean, McLachlan

SENATE SPONSORSHIP

Priola and Fenberg,

House Committees

Transportation & Energy

Senate Committees

Agriculture, Natural Resources, & Energy
Finance

A BILL FOR AN ACT

101 **CONCERNING AN EXTENSION OF DEMAND-SIDE MANAGEMENT GOALS**
102 **FOR INVESTOR-OWNED UTILITIES AS SET BY THE PUBLIC**
103 **UTILITIES COMMISSION.**

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/>.)

To promote demand-side management programs for electricity, the public utilities commission (commission) was authorized in 2007 to establish the following electricity goals for investor-owned electric utilities to achieve by 2018:

! A demonstrated reduction of peak demand by at least 5%

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
2nd Reading Unamended
May 8, 2017

HOUSE
3rd Reading Unamended
April 4, 2017

HOUSE
2nd Reading Unamended
April 3, 2017

- of the retail peak demand level in 2006; and
- ! Demonstrated energy savings of at least 5% compared to the energy sales in 2006.

The bill extends the programs to 2028 and requires the commission to set goals of at least 5% peak demand reduction and 5% energy savings by 2028 for demand-side management programs implemented during 2019 through 2028 when compared to 2018 numbers.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-3.2-104, **amend**
3 (2) as follows:

4 **40-3.2-104. Electricity utility demand-side management**
5 **programs - rules - annual report - definition.** (2) (a) The commission
6 shall establish energy savings and peak demand reduction goals to be
7 achieved by an investor-owned electric utility, taking into account the
8 utility's cost-effective ~~DSM~~ DEMAND-SIDE MANAGEMENT potential, the
9 need for electricity resources, the benefits of ~~DSM~~ DEMAND-SIDE
10 MANAGEMENT investments, and other factors as determined by the
11 commission.

12 (b) The energy savings and peak demand reduction goals ~~shall~~
13 ~~MUST~~ be at least five percent of the utility's retail system peak demand,
14 measured in megawatts, in the base year and at least five percent of the
15 utility's retail energy sales, measured in megawatt-hours, in the base year.
16 The base year ~~shall be~~ IS 2006. The goals shall be met in 2018, counting
17 savings in 2018 from ~~DSM~~ DEMAND-SIDE MANAGEMENT measures
18 installed starting in 2006. The commission may establish interim goals
19 and may revise the goals as it deems appropriate.

20 (c) COMMENCING JANUARY 1, 2019, THE ENERGY SAVINGS AND
21 PEAK DEMAND REDUCTION GOALS MUST BE AT LEAST FIVE PERCENT OF THE
22 UTILITY'S RETAIL SYSTEM PEAK DEMAND, MEASURED IN MEGAWATTS, IN

1 THE BASE YEAR AND AT LEAST FIVE PERCENT OF THE UTILITY'S RETAIL
2 ENERGY SALES, MEASURED IN MEGAWATT-HOURS, IN THE BASE YEAR. THE
3 BASE YEAR IS 2018. THE GOALS SHALL BE MET IN 2028, COUNTING
4 SAVINGS IN 2028 FROM DEMAND-SIDE MANAGEMENT MEASURES
5 INSTALLED STARTING IN 2019. THE COMMISSION MAY ESTABLISH INTERIM
6 GOALS AND MAY REVISE THE GOALS AS IT DEEMS APPROPRIATE.

7 **SECTION 2. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly (August
10 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
11 referendum petition is filed pursuant to section 1 (3) of article V of the
12 state constitution against this act or an item, section, or part of this act
13 within such period, then the act, item, section, or part will not take effect
14 unless approved by the people at the general election to be held in
15 November 2018 and, in such case, will take effect on the date of the
16 official declaration of the vote thereon by the governor.