

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 10-1045.01 Thomas Morris

HOUSE BILL 10-1418

HOUSE SPONSORSHIP

McFadyen and Sonnenberg,

SENATE SPONSORSHIP

Bacon,

House Committees

Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING REQUIREMENTS APPLICABLE TO COMMUNITY-BASED**
102 **PROJECTS THAT QUALIFY FOR SPECIAL TREATMENT UNDER THE**
103 **RENEWABLE ENERGY PORTFOLIO STANDARD.**

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://www.leg.state.co.us/billsummaries>.)

With regard to the renewable energy portfolio standard, the bill:
! Allows each kilowatt-hour of electricity generated from eligible energy resources at a community-based project to be counted as 2 kilowatt hours;

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.*

HOUSE
3rd Reading Unamended
May 4, 2010

HOUSE
Amended 2nd Reading
May 3, 2010

- ! Prohibits qualifying retail utilities from claiming the benefit of this new multiplier for any electricity that the qualifying retail utility claims for satisfaction of the distributed generation requirement enacted by House Bill 10-1001; and
- ! Modifies the definition of a "community-based project" to mean either a project that interconnects to electric transmission or distribution facilities owned by a Colorado cooperative electric association or municipal utility or a project that is owned by an organization or cooperative that is controlled by individual residents of the community.

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

2 **SECTION 1.** [REDACTED] 40-2-124 (1) (c) (VI) (A), Colorado
3 Revised Statutes, is amended, and the said 40-2-124 (1) (c) is further
4 amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

5 **40-2-124. Renewable energy standard - definitions - net**
6 **metering.** (1) Each provider of retail electric service in the state of
7 Colorado, other than municipally owned utilities that serve forty thousand
8 customers or fewer, shall be considered a qualifying retail utility. Each
9 qualifying retail utility, with the exception of cooperative electric
10 associations that have voted to exempt themselves from commission
11 jurisdiction pursuant to section 40-9.5-104 and municipally owned
12 utilities, shall be subject to the rules established under this article by the
13 commission. No additional regulatory authority of the commission other
14 than that specifically contained in this section is provided or implied. In
15 accordance with article 4 of title 24, C.R.S., the commission shall revise
16 or clarify existing rules to establish the following:

- 17 (c) Electric resource standards:
- 18 (VI) Each kilowatt-hour of electricity generated from eligible
19 energy resources at a community-based project shall be counted as one
20 and one-half kilowatt-hours. [REDACTED] [REDACTED] For purposes of this

1 subparagraph (VI), "community-based project" means a project located
2 in Colorado:

3 (A) That [REDACTED] is owned by individual residents of a
4 community, ~~nonprofit~~ BY AN organization OR cooperative THAT IS
5 CONTROLLED BY INDIVIDUAL RESIDENTS OF THE COMMUNITY, OR BY A
6 local government entity or tribal council;

7 (IX) FOR PURPOSES OF STIMULATING RURAL ECONOMIC
8 DEVELOPMENT AND FOR PROJECTS UP TO THIRTY MEGAWATTS OF
9 NAMEPLATE CAPACITY, EACH KILOWATT HOUR OF ELECTRICITY
10 GENERATED FROM RENEWABLE ENERGY RESOURCES THAT INTERCONNECTS
11 TO ELECTRIC TRANSMISSION OR DISTRIBUTION FACILITIES OWNED BY A
12 COOPERATIVE ELECTRIC ASSOCIATION OR MUNICIPALLY OWNED UTILITY
13 MAY BE COUNTED AS TWO KILOWATT HOURS FOR COMPLIANCE WITH THE
14 REQUIREMENTS OF THIS PARAGRAPH (c) BY QUALIFYING RETAIL UTILITIES;
15 EXCEPT THAT, AFTER JANUARY 1, 2015, EACH SUCH KILOWATT OF
16 ELECTRICITY MAY BE COUNTED AS ONE AND ONE-HALF KILOWATT HOURS
17 FOR SUCH COMPLIANCE. THIS MULTIPLIER SHALL NOT BE USED IN
18 CONJUNCTION WITH ANOTHER COMPLIANCE MULTIPLIER. TO THE EXTENT
19 THAT A QUALIFYING RETAIL UTILITY CLAIMS THE BENEFIT DESCRIBED IN
20 THIS SUBPARAGRAPH (IX), THOSE KILOWATT-HOURS OF ELECTRICITY DO
21 NOT QUALIFY FOR SATISFACTION OF THE DISTRIBUTED GENERATION
22 REQUIREMENT OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c). THE
23 COMMISSION SHALL SUBMIT A REPORT TO THE SENATE LOCAL
24 GOVERNMENT AND ENERGY COMMITTEE AND THE HOUSE OF
25 REPRESENTATIVES COMMITTEE ON TRANSPORTATION AND ENERGY, OR
26 THEIR SUCCESSOR COMMITTEES, BY DECEMBER 31, 2012, REGARDING
27 IMPLEMENTATION OF THIS SUBPARAGRAPH (IX), INCLUDING HOW MANY

1 MEGAWATTS OF ELECTRICITY HAVE BEEN CLAIMED PURSUANT TO THIS
2 SUBPARAGRAPH (IX) AND WHETHER THE COMMISSION RECOMMENDS THAT
3 THE MULTIPLIER ESTABLISHED BY THIS SUBPARAGRAPH (IX) SHOULD BE
4 CONTINUED.

5 **SECTION 2. Act subject to petition - effective date -**
6 **applicability.** (1) This act shall take effect at 12:01 a.m. on the day
7 following the expiration of the ninety-day period after final adjournment
8 of the general assembly (August 11, 2010, if adjournment sine die is on
9 May 12, 2010); except that, if a referendum petition is filed pursuant to
10 section 1 (3) of article V of the state constitution against this act or an
11 item, section, or part of this act within such period, then the act, item,
12 section, or part shall not take effect unless approved by the people at the
13 general election to be held in November 2010 and shall take effect on the
14 date of the official declaration of the vote thereon by the governor.

15 (2) The provisions of this act shall apply to conduct occurring on
16 or after the applicable effective date of this act.