

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

INTRODUCED

LLS NO. 23-0241.01 Richard Sweetman x4333

SENATE BILL 23-062

SENATE SPONSORSHIP

Fields and Rodriguez,

HOUSE SPONSORSHIP

Boesenecker and Michaelson Jenet,

Senate Committees
Transportation & Energy

House Committees

A BILL FOR AN ACT

101 **CONCERNING INFORMATION REGARDING "BEST VALUE" EMPLOYMENT**
102 **METRICS TO BE ACHIEVED BY ENTITIES THAT CONTRACT WITH**
103 **ELECTRIC UTILITIES FOR CERTAIN CAPITAL CONSTRUCTION**
104 **PROJECTS, AND, IN CONNECTION THEREWITH, REQUIRING THE**
105 **PUBLIC UTILITIES COMMISSION TO PROMULGATE RULES AND**
106 **REPORT ANNUALLY TO THE GENERAL ASSEMBLY CONCERNING**
107 **THE ACQUISITION AND CONSIDERATION OF SUCH INFORMATION.**

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/>.)

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.

Legislative Audit Committee. Under current law, when the public utilities commission (PUC) evaluates electric resource acquisitions and requests for certificates of public convenience and necessity for construction or expansion of generating facilities, the PUC must consider best value regarding employment of Colorado labor and positive impacts on the long-term economic viability of Colorado communities. To this end, the PUC must require electric utilities to obtain certain information regarding certain "best value" employment metrics and report this information to the PUC for its consideration.

The bill:

- Requires the PUC to promulgate rules requiring utilities, when submitting annual progress reports for an electric resource acquisition, to collect and provide to the PUC information concerning the implementation of "best value" employment metrics;
- Requires the PUC to report annually to committees of reference of the general assembly concerning the information that is reported; and
- Repeals language requiring the state auditor to conduct a performance audit, which performance audit the state auditor completed in July 2022.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-2-129, **repeal** (4);
3 and **add** (5) and (6) as follows:

4 **40-2-129. New resource acquisitions - factors in determination**
5 **- local employment - "best value" employment metrics - rules -**
6 **report.** (4) (a) ~~The state auditor shall conduct or cause to be conducted~~
7 ~~a performance audit of the commission's implementation of the "best~~
8 ~~value" employment metrics requirements of this section, including review~~
9 ~~of:~~

10 ~~(I) The projects subject to subsection (1)(a) of this section that~~
11 ~~have been approved in the previous ten years;~~

12 ~~(H) Whether the work done used contractors that met the criteria~~
13 ~~specified in this section;~~

1 ~~(III) Any shortfalls in enforcement capacity or implementation by~~
2 ~~the commission;~~

3 ~~(IV) Current enforcement procedures for investor-owned utilities,~~
4 ~~independent power producers, and wholesale generation and transmission~~
5 ~~electric cooperatives; and~~

6 ~~(V) Whether and how delayed rule-making proceedings have~~
7 ~~prevented the "best value" employment metrics requirements of this~~
8 ~~section from being implemented.~~

9 ~~(b) The governor's office, the commission, and commission staff~~
10 ~~shall cooperate with stakeholders and the state auditor in conducting the~~
11 ~~audit and making recommendations for reforms of, or potential~~
12 ~~alternatives to, the implementation and enforcement of "best value"~~
13 ~~employment metrics.~~

14 ~~(c) Upon completion of a performance audit, the state auditor shall~~
15 ~~submit a written report to the legislative audit committee, together with~~
16 ~~any findings and recommendations.~~

17 (5) THE COMMISSION SHALL PROMULGATE RULES REQUIRING
18 UTILITIES, WHEN SUBMITTING ANNUAL PROGRESS REPORTS FOR AN
19 ELECTRIC RESOURCE ACQUISITION, TO COLLECT AND PROVIDE TO THE
20 COMMISSION INFORMATION CONCERNING THE IMPLEMENTATION OF "BEST
21 VALUE" EMPLOYMENT METRICS, AS DESCRIBED IN SUBSECTION (1)(a) OF
22 THIS SECTION, WHICH METRICS WERE APPROVED BY THE COMMISSION
23 DURING THE ACQUISITION PLANNING PROCESS AND WHICH ACQUISITIONS
24 ARE UNDER CONSTRUCTION BY EITHER THE UTILITY OR BY OTHERS.

25 (6) (a) ON OR BEFORE DECEMBER 31, 2024, AND ON OR BEFORE
26 DECEMBER 31 OF EACH YEAR THEREAFTER, THE COMMISSION SHALL
27 SUBMIT A REPORT TO THE ENERGY AND ENVIRONMENT COMMITTEE OF THE

1 HOUSE OF REPRESENTATIVES AND THE TRANSPORTATION AND ENERGY
2 COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES. THE
3 REPORT MUST SUMMARIZE THE INFORMATION CONCERNING "BEST VALUE"
4 EMPLOYMENT METRICS THAT IS REPORTED TO THE COMMISSION BY
5 UTILITIES PURSUANT TO SUBSECTIONS (1)(a) AND (5) OF THIS SECTION AND
6 INDICATE THE MANNER IN WHICH THE COMMISSION CONSIDERED THE
7 INFORMATION.

8 (b) NOTWITHSTANDING THE LIMITATION DESCRIBED IN SECTION
9 24-1-136 (11)(a)(I), THE REPORTING REQUIREMENT DESCRIBED IN
10 SUBSECTION (6)(a) OF THIS SECTION CONTINUES IN PERPETUITY.

11 **SECTION 2. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly; except
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V
15 of the state constitution against this act or an item, section, or part of this
16 act within such period, then the act, item, section, or part will not take
17 effect unless approved by the people at the general election to be held in
18 November 2024 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.