

SENATE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 11, 2026  
Date

Committee on Transportation & Energy.

After consideration on the merits, the Committee recommends the following:

SB26-002 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 40-3-122 as  
4 follows:

5 **40-3-122. Energy affordability - percentage-of-income**  
6 **payment plan program - eligibility and participation - cost recovery**  
7 **- definitions - rules.**

8 (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT  
9 OTHERWISE REQUIRES:

10 (a) (I) "ADMINISTRATIVE COSTS" MEANS A UTILITY'S DIRECT COSTS  
11 FOR LABOR, INCLUDING APPLICABLE BENEFIT LOADINGS, MATERIALS, AND  
12 OTHER VERIFIABLE EXPENDITURES DIRECTLY RELATED TO THE  
13 ADMINISTRATION AND OPERATION OF A PIPP PROGRAM.

14 (II) ADMINISTRATIVE COSTS MUST NOT EXCEED TEN PERCENT OF  
15 THE TOTAL AMOUNT OF THE FIXED CREDITS APPLIED TO CUSTOMER BILLS  
16 FOR CURRENT USAGE AND PRE-EXISTING ARREARAGES, OR TEN THOUSAND  
17 DOLLARS, WHICHEVER AMOUNT IS GREATER.

18 (b) "AFFORDABLE PERCENTAGE OF INCOME" MEANS THE AMOUNT  
19 OF A PARTICIPANT'S ANNUAL BILL THAT IS DEEMED AFFORDABLE BASED ON  
20 A PARTICIPANT'S ANNUAL HOUSEHOLD INCOME, AS DETERMINED  
21 PURSUANT TO SUBSECTIONS (4)(b) AND (4)(c) OF THIS SECTION.

22 (c) "ARREARAGE" MEANS THE PAST-DUE BALANCE OWED BY A  
23 PARTICIPANT IN A PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM FOR  
24 UTILITY SERVICE, AS SHOWN ON THE MOST RECENT BILL RECEIVED BY THE  
25 PARTICIPANT BEFORE THE PARTICIPANT ENROLLS IN THE PIPP PROGRAM.

26 (d) (I) "FIXED CREDIT" MEANS AN ANNUAL BILL CREDIT THAT IS  
27 CALCULATED BY A UTILITY AT THE BEGINNING OF A PARTICIPANT'S

1 PARTICIPATION IN THE UTILITY'S PIPP PROGRAM EACH YEAR AND IS  
2 DELIVERED AS AN EQUAL MONTHLY CREDIT ON THE PARTICIPANT'S  
3 MONTHLY UTILITY BILL.

4 (II) THE FIXED CREDIT IS EQUAL TO THE PARTICIPANT'S TOTAL  
5 PROJECTED FULL ANNUAL BILL MINUS THE PARTICIPANT'S AFFORDABLE  
6 PERCENTAGE OF INCOME PAYMENT.

7 (e) "FULL ANNUAL BILL" MEANS THE PROJECTED ELECTRICITY  
8 CONSUMPTION OF A PARTICIPANT IN ONE CALENDAR YEAR BILLED AT  
9 STANDARD RESIDENTIAL RATES BEFORE ANY FIXED CREDIT AMOUNT OR  
10 OTHER CREDITS OR DISCOUNTS ARE APPLIED TO THE BILL.

11 (f) "INCOME-QUALIFIED UTILITY CUSTOMER" HAS THE MEANING  
12 SET FORTH IN SECTION 40-3-106 (1)(d)(II).

13 (g) "INVESTOR-OWNED UTILITY" OR "UTILITY" MEANS A RETAIL  
14 ELECTRIC UTILITY OR A COMBINED RETAIL ELECTRIC AND GAS UTILITY IN  
15 THE STATE THAT IS REGULATED BY THE COMMISSION AND IS NOT A  
16 COOPERATIVE ELECTRIC ASSOCIATION OR A MUNICIPALLY OWNED UTILITY.

17 (h) "PARTICIPANT" MEANS AN INCOME-QUALIFIED UTILITY  
18 CUSTOMER WHO IS APPROVED FOR PARTICIPATION IN A UTILITY'S  
19 PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM.

20 (i) "PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM" OR "PIPP  
21 PROGRAM" MEANS A PAYMENT PLAN PROGRAM FOR RESIDENTIAL  
22 PARTICIPANTS IN WHICH A PARTICIPANT'S UTILITY BILL DOES NOT EXCEED  
23 AN AFFORDABLE PERCENTAGE OF INCOME.

24 (j) "PIPP CHARGE" MEANS A FEE CHARGED TO AN  
25 INVESTOR-OWNED UTILITY'S CUSTOMERS IN ACCORDANCE WITH  
26 SUBSECTION (7) OF THIS SECTION TO RECOVER COSTS ASSOCIATED WITH  
27 THE UTILITY'S PIPP PROGRAM.

28 (k) "UNAFFORDABLE PORTION" MEANS THE AMOUNT OF A  
29 PARTICIPANT'S ESTIMATED FULL ANNUAL BILL THAT EXCEEDS THE  
30 AFFORDABLE PERCENTAGE OF INCOME PAID BY THE PARTICIPANT.

31 **(2) Percentage-of-income payment plan program.**

32 (a) AN INVESTOR-OWNED UTILITY SHALL ESTABLISH A  
33 PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM FOR RESIDENTIAL  
34 INCOME-QUALIFIED UTILITY CUSTOMERS.

35 (b) AN INVESTOR-OWNED UTILITY SHALL USE CONSISTENT NAMING  
36 FOR THE PIPP PROGRAM IN TARIFFS, RATES, CUSTOMER COMMUNICATIONS,  
37 AND BILL STATEMENTS, WHICH NAME MUST INCLUDE THE WORDS  
38 "PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM".

39 (c) AN INVESTOR-OWNED UTILITY SHALL PUBLISH THE FOLLOWING  
40 INFORMATION RELATED TO THE PIPP PROGRAM ON THE UTILITY'S PUBLIC  
41 WEBSITE:

42 (I) THE INCOME ELIGIBILITY CRITERIA FOR THE PIPP PROGRAM;

43 (II) AN EXPLANATION OF WHAT THE PIPP PROGRAM DOES;

- 1 (III) THE APPLICATION AND ENROLLMENT PROCESSES;
- 2 (IV) AN ESTIMATED TIME FRAME FOR WHEN AN APPLICANT WILL
- 3 RECEIVE NOTICE OF THEIR ACCEPTANCE INTO OR DENIAL FROM THE PIPP
- 4 PROGRAM;
- 5 (V) AFFORDABLE PERCENTAGE OF INCOME AMOUNTS FOR
- 6 DIFFERENT TYPES OF CUSTOMERS, AS DESCRIBED IN SUBSECTION (4) OF
- 7 THIS SECTION;
- 8 (VI) PIPP CHARGE AMOUNTS; AND
- 9 (VII) THE TERMS AND CONDITIONS FOR THE UTILITY'S PIPP
- 10 PROGRAM.

11 (3) **Eligibility and participation.**

12 (a) AN INCOME-QUALIFIED UTILITY CUSTOMER IS ELIGIBLE TO

13 PARTICIPATE IN THE PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM

14 IF THE CUSTOMER:

15 (I) MEETS THE INCOME ELIGIBILITY CRITERIA, AS DETERMINED BY

16 THE COMMISSION BY ORDER OR BY RULE;

17 (II) EITHER:

18 (A) SUBMITS AN APPLICATION TO THE INVESTOR-OWNED UTILITY

19 TO PARTICIPATE IN THE PIPP PROGRAM; OR

20 (B) IS REFERRED BY ANOTHER INCOME-ELIGIBLE ASSISTANCE

21 PROGRAM OFFERED BY THE DEPARTMENT OF HUMAN SERVICES, CREATED

22 IN SECTION 26-1-105; THE COLORADO ENERGY OFFICE, CREATED IN

23 SECTION 24-38.5-101; THE ORGANIZATION DEFINED IN SECTION 40-8.7-103

24 (4); OR OTHER ENERGY ASSISTANCE PROGRAM APPROVED BY THE

25 COMMISSION; AND

26 (III) LIVES IN THE SERVICE AREA OF AN INVESTOR-OWNED UTILITY

27 THAT HAS ESTABLISHED A PIPP PROGRAM.

28 (b) (I) AN APPLICANT THAT SUBMITS A PIPP PROGRAM

29 APPLICATION TO AN INVESTOR-OWNED UTILITY MAY SUBMIT

30 DOCUMENTATION WITH THE APPLICATION VERIFYING THAT THE APPLICANT

31 MEETS THE INCOME ELIGIBILITY CRITERIA, INCLUDING:

32 (A) DOCUMENTATION THAT THE APPLICANT IS ENROLLED IN

33 ANOTHER INCOME-ELIGIBLE ASSISTANCE PROGRAM OFFERED BY THE

34 DEPARTMENT OF HUMAN SERVICES, CREATED IN SECTION 26-1-105; THE

35 COLORADO ENERGY OFFICE, CREATED IN SECTION 24-38.5-101; THE

36 ORGANIZATION DEFINED IN SECTION 40-8.7-103 (4); OR OTHER ENERGY

37 ASSISTANCE PROGRAM APPROVED BY THE COMMISSION; OR

38 (B) A SELF-ATTESTATION, THROUGH A PROCESS ESTABLISHED BY

39 THE UTILITY FOR THE PIPP PROGRAM, OF THE APPLICANT'S INCOME

40 ELIGIBILITY.

41 (II) IF AN APPLICANT'S HOUSEHOLD INCOME IS ZERO DOLLARS, THE

42 UTILITY MAY ESTABLISH A PROCESS THAT VERIFIES THE APPLICANT'S

43 HOUSEHOLD INCOME ON A MORE FREQUENT THAN ANNUAL BASIS.

1 (c) AN APPLICANT IS NOT REQUIRED TO MAKE A PAYMENT ON THE  
2 APPLICANT'S ACCOUNT AS A CONDITION OF ACCEPTANCE INTO A PIPP  
3 PROGRAM.

4 (d) AN INVESTOR-OWNED UTILITY SHALL ESTABLISH APPLICATION  
5 AND PARTICIPATION PROCEDURES THAT ARE EFFICIENT, AVAILABLE TO  
6 APPLICANTS IN PLAIN LANGUAGE, AND INTENDED TO MAXIMIZE  
7 PARTICIPATION IN THE UTILITY'S PIPP PROGRAM.

8 (e) (I) WITHIN THIRTY DAYS AFTER RECEIVING A PIPP PROGRAM  
9 APPLICATION FROM AN INCOME-QUALIFIED UTILITY CUSTOMER, AN  
10 INVESTOR-OWNED UTILITY SHALL APPROVE OR DENY THE  
11 INCOME-QUALIFIED UTILITY CUSTOMER'S APPLICATION.

12 (II) IF THE INVESTOR-OWNED UTILITY APPROVES AN  
13 INCOME-QUALIFIED UTILITY CUSTOMER'S APPLICATION FOR PARTICIPATION  
14 IN THE PIPP PROGRAM, THE UTILITY SHALL PROVIDE AN EXPLANATION OF  
15 THE PIPP PROGRAM BENEFITS, INCLUDING:

16 (A) THE PARTICIPANT'S ESTIMATED FULL ANNUAL BILL AMOUNT;  
17 (B) THE PARTICIPANT'S FIXED CREDIT AMOUNT;  
18 (C) THE AFFORDABLE PERCENTAGE OF INCOME FOR WHICH THE  
19 PARTICIPANT IS RESPONSIBLE FOR PAYING, LISTED AS BOTH A PERCENTAGE  
20 AND AN ESTIMATED MONTHLY AMOUNT; AND  
21 (D) A COPY OF THE TERMS AND CONDITIONS OF PARTICIPATION IN  
22 THE PIPP PROGRAM.

23 (III) IF THE INVESTOR-OWNED UTILITY DENIES AN APPLICANT'S  
24 APPLICATION FOR PARTICIPATION IN THE PIPP PROGRAM, THE UTILITY  
25 SHALL PROVIDE THE APPLICANT AN EXPLANATION FOR THE DENIAL AND,  
26 IF THE REASON FOR THE DENIAL WAS BASED ON THE UTILITY'S  
27 VERIFICATION OF THE APPLICANT'S HOUSEHOLD INCOME IN ACCORDANCE  
28 WITH SUBSECTION (3)(b) OF THIS SECTION, THE DEPARTMENT, AGENCY, OR  
29 ORGANIZATION THAT THE UTILITY CONTACTED TO VERIFY THE  
30 APPLICANT'S HOUSEHOLD INCOME.

31 (IV) IF AN INCOME-QUALIFIED UTILITY CUSTOMER IS ACCEPTED  
32 INTO THE PIPP PROGRAM, THE CUSTOMER SHALL REMAIN QUALIFIED FOR  
33 THE PIPP PROGRAM FOR TWO PROGRAM YEARS AFTER THE DATE ON WHICH  
34 THE CUSTOMER IS ACCEPTED INTO THE PROGRAM.

35 (f) (I) AN INVESTOR-OWNED UTILITY IS RESPONSIBLE FOR  
36 ESTABLISHING AND ADMINISTERING THE PROCESS FOR INCOME-QUALIFIED  
37 UTILITY CUSTOMERS TO APPLY FOR PARTICIPATION AND MAINTAINING  
38 ENROLLMENT IN THE PIPP PROGRAM.

39 (II) A PARTICIPANT MAY REMAIN ENROLLED IN A UTILITY'S PIPP  
40 PROGRAM IF THE PARTICIPANT MOVES WITHIN THE SAME UTILITY SERVICE  
41 TERRITORY WITHOUT REAPPLYING FOR PARTICIPATION IN THE PIPP  
42 PROGRAM, AND THE PARTICIPANT SHALL NOTIFY THE UTILITY OF THE  
43 PARTICIPANT'S CHANGE OF ADDRESS AND NEW ACCOUNT NUMBER.

1 (III) IF A PARTICIPANT MOVES OUTSIDE OF A UTILITY'S SERVICE  
2 TERRITORY, THE PARTICIPANT IS NO LONGER ELIGIBLE FOR THE UTILITY'S  
3 PIPP PROGRAM AND THE UTILITY SHALL SEND NOTICE TO THE PARTICIPANT  
4 THAT THE PARTICIPANT'S ELIGIBILITY FOR AND ENROLLMENT IN THE PIPP  
5 PROGRAM HAS ENDED.

6 (g) IF A PARTICIPANT MAKES PARTIAL OR LATE PAYMENTS ON  
7 THEIR UTILITY BILL, THE INVESTOR-OWNED UTILITY SHALL NOT  
8 TERMINATE THE PARTICIPANT'S PARTICIPATION IN THE PIPP PROGRAM  
9 SOLELY FOR THAT REASON. HOWEVER, THE UTILITY MAY PURSUE  
10 COLLECTION EFFORTS FOR THE UNPAID AMOUNTS.

11 (4) **Affordable percentage of income calculation.**

12 (a) (I) AN INVESTOR-OWNED UTILITY SHALL ESTIMATE A  
13 PARTICIPANT'S FULL ANNUAL BILL IN ORDER TO DETERMINE A  
14 PARTICIPANT'S AFFORDABLE PERCENTAGE OF INCOME PAYMENT IN  
15 ACCORDANCE WITH SUBSECTIONS (4)(b) AND (4)(c) OF THIS SECTION.

16 (II) AN INVESTOR-OWNED UTILITY SHALL INCLUDE THE  
17 DIFFERENCE BETWEEN A PARTICIPANT'S AFFORDABLE PERCENTAGE OF  
18 INCOME PAYMENT AND THE PROJECTED FULL ANNUAL BILL ON THE  
19 PARTICIPANT'S UTILITY BILL AS A FIXED CREDIT.

20 (III) AN INVESTOR-OWNED UTILITY MAY ADJUST THE FIXED CREDIT  
21 AMOUNT IF RESIDENTIAL RATES FOR ELECTRICITY SIGNIFICANTLY CHANGE  
22 FROM THE RATE USED TO ESTIMATE THE PARTICIPANT'S FULL ANNUAL BILL  
23 OR IF THE PARTICIPANT'S ACTUAL BILL AMOUNT VARIES BY TWENTY-FIVE  
24 PERCENT OR MORE FROM THE PARTICIPANT'S ESTIMATED FULL ANNUAL  
25 BILL.

26 (b) UNLESS OTHERWISE DETERMINED BY THE COMMISSION BY  
27 ORDER OR BY RULE, IF A PARTICIPANT'S ANNUAL HOUSEHOLD INCOME IS  
28 ABOVE ZERO DOLLARS, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF  
29 INCOME MUST NOT EXCEED THE APPLICABLE PERCENTAGE OF HOUSEHOLD  
30 INCOME AS FOLLOWS:

31 (I) FOR UTILITIES WITH FIVE HUNDRED THOUSAND CUSTOMERS OR  
32 FEWER:

33 (A) FOR ELECTRIC ACCOUNTS THAT HAVE ELECTRICITY AS THE  
34 PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF  
35 INCOME PAYMENT MUST NOT BE GREATER THAN SIX PERCENT OF THE  
36 PARTICIPANT'S HOUSEHOLD INCOME;

37 (B) FOR ELECTRIC ACCOUNTS THAT DO NOT HAVE ELECTRICITY AS  
38 THE PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE  
39 OF INCOME PAYMENT MUST NOT BE GREATER THAN THREE PERCENT OF THE  
40 PARTICIPANT'S HOUSEHOLD INCOME;

41 (C) FOR ACCOUNTS THAT HAVE BOTH NATURAL GAS SERVICE AND  
42 ELECTRIC SERVICE FROM A SINGLE UTILITY, A PARTICIPANT'S AFFORDABLE  
43 PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER THAN FIVE

1 PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; OR  
2 (D) FOR ACCOUNTS THAT HAVE NEITHER ELECTRICITY NOR  
3 NATURAL GAS AS A PRIMARY HEATING SOURCE, A PARTICIPANT'S  
4 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER  
5 THAN FIVE PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; AND  
6 (II) FOR UTILITIES WITH MORE THAN FIVE HUNDRED THOUSAND  
7 CUSTOMERS:  
8 (A) FOR ELECTRIC ACCOUNTS THAT HAVE ELECTRICITY AS THE  
9 PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF  
10 INCOME PAYMENT MUST NOT BE GREATER THAN FOUR PERCENT OF THE  
11 PARTICIPANT'S HOUSEHOLD INCOME;  
12 (B) FOR ELECTRIC ACCOUNTS THAT DO NOT HAVE ELECTRICITY AS  
13 THE PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE  
14 OF INCOME PAYMENT MUST NOT BE GREATER THAN TWO PERCENT OF THE  
15 PARTICIPANT'S HOUSEHOLD INCOME;  
16 (C) FOR ACCOUNTS THAT HAVE BOTH NATURAL GAS SERVICE AND  
17 ELECTRIC SERVICE FROM A SINGLE UTILITY, A PARTICIPANT'S AFFORDABLE  
18 PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER THAN FIVE  
19 PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; OR  
20 (D) FOR ACCOUNTS THAT HAVE NEITHER ELECTRICITY NOR  
21 NATURAL GAS AS A PRIMARY HEATING SOURCE, A PARTICIPANT'S  
22 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER  
23 THAN FIVE PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME.  
24 (c) IF A PARTICIPANT'S ANNUAL HOUSEHOLD INCOME IS ZERO  
25 DOLLARS, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF INCOME MUST  
26 NOT EXCEED THE APPLICABLE PERCENTAGE OF HOUSEHOLD INCOME AS  
27 FOLLOWS:  
28 (I) FOR AN ELECTRIC HEATING ACCOUNT, THE PARTICIPANT'S  
29 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE MORE THAN  
30 TWENTY DOLLARS PER MONTH; OR  
31 (II) FOR AN ELECTRIC NONHEATING ACCOUNT, THE PARTICIPANT'S  
32 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE MORE THAN  
33 TEN DOLLARS PER MONTH.  
34 (5) **Arrearage credits.**  
35 (a) (I) AN INVESTOR-OWNED UTILITY SHALL APPLY ARREARAGE  
36 CREDITS TO A PARTICIPANT'S ARREARAGES THAT EXISTED BEFORE THE  
37 PARTICIPANT APPLIED FOR THE PIPP PROGRAM.  
38 (II) ARREARAGE CREDITS MUST BE ESTABLISHED AND APPLIED TO  
39 A PARTICIPANT'S UTILITY BILL IN AN AMOUNT SUFFICIENT TO REDUCE,  
40 WHEN COMBINED WITH ANY REQUIRED PAYMENTS FROM THE PARTICIPANT,  
41 THE PARTICIPANT'S ARREARAGES TO ZERO DOLLARS OVER A PERIOD OF NOT  
42 LESS THAN ONE MONTH AND NOT MORE THAN TWENTY-FOUR MONTHS.  
43 (b) AN INVESTOR-OWNED UTILITY MAY CONDITION THE

1 APPLICATION OF ARREARAGE CREDITS ON THE FOLLOWING:  
2 (I) A PARTICIPANT'S TIMELY PAYMENT OF BILLS FOR CURRENT  
3 USAGE; OR  
4 (II) A PARTICIPANT'S PAYMENT TOWARD PREEXISTING  
5 ARREARAGES, EXCEPT THAT THE TOTAL DOLLAR AMOUNT OF THE  
6 PAYMENT REQUIRED BY THE UTILITY MUST NOT EXCEED ONE PERCENT OF  
7 THE PARTICIPANT'S ANNUAL HOUSEHOLD INCOME.  
8 (c) IF A PARTICIPANT'S ENROLLMENT IN THE PIPP PROGRAM ENDS  
9 FOR ANY REASON PRIOR TO THE FORGIVENESS OF ALL ARREARAGES, ANY  
10 REMAINING ARREARAGES BECOME DUE IN ACCORDANCE WITH THE  
11 UTILITY'S CURRENT TARIFF FILED WITH THE COMMISSION AT THE TIME OF  
12 THE TERMINATION.  
13 (d) WHILE A PARTICIPANT IS ENROLLED IN A UTILITY'S PIPP  
14 PROGRAM, THE UTILITY SHALL NOT TERMINATE THE PARTICIPANT'S  
15 SERVICE FOR NONPAYMENT OF THE ARREARAGES.  
16 (e) A PARTICIPANT MAY RECEIVE ARREARAGE CREDITS PURSUANT  
17 TO THIS SECTION REGARDLESS OF WHETHER THE PARTICIPANT RECEIVES A  
18 CREDIT TOWARD A UTILITY BILL FOR CURRENT USAGE.  
19 (6) **Participation in other assistance programs.**  
20 (a) THIS SECTION DOES NOT PROHIBIT AN INCOME-QUALIFIED  
21 UTILITY CUSTOMER FROM PARTICIPATING IN OTHER ENERGY ASSISTANCE  
22 PROGRAMS WHILE ENROLLED IN A PERCENTAGE-OF-INCOME PAYMENT  
23 PLAN PROGRAM.  
24 (b) AN INVESTOR-OWNED UTILITY MAY APPLY ENERGY ASSISTANCE  
25 GRANTS PROVIDED TO A PARTICIPANT TO THE DOLLAR VALUE OF THE FIXED  
26 CREDITS PROVIDED TO THE PARTICIPANT TO COVER THE UNAFFORDABLE  
27 PORTION OF THE PARTICIPANT'S UTILITY BILL IN A MANNER DETERMINED  
28 BY THE COMMISSION BY RULE.  
29 (7) **Cost recovery.**  
30 (a) AN INVESTOR-OWNED UTILITY MAY RECOVER  
31 PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM COSTS THROUGH A  
32 PIPP CHARGE ON THE UTILITY'S CUSTOMERS, AS APPROVED BY THE  
33 COMMISSION.  
34 (b) IF AN INVESTOR-OWNED UTILITY IMPOSES A PIPP CHARGE, THE  
35 INVESTOR-OWNED UTILITY SHALL:  
36 (I) ASSESS THE PIPP CHARGE AS A SEPARATE LINE ITEM ON EVERY  
37 CUSTOMER'S MONTHLY BILL AND IDENTIFY THE CHARGE AS A "PIPP  
38 CHARGE";  
39 (II) COLLECT THE MONTHLY PIPP CHARGE IN THE SAME MANNER  
40 AS ALL OTHER CHARGES AND FEES ARE COLLECTED FROM A CUSTOMER;  
41 (III) STATE THE AMOUNT OF THE PIPP CHARGE, WHICH MUST BE  
42 APPROVED BY THE COMMISSION; AND  
43 (IV) INCLUDE THE AMOUNT OF PIPP CHARGES COLLECTED FROM

1 A UTILITY'S CUSTOMERS ON THE UTILITY'S TARIFF SHEET FILED WITH THE  
2 COMMISSION.

3 (c) IF AN INVESTOR-OWNED UTILITY IMPOSES A PIPP CHARGE, THE  
4 UTILITY IS ENCOURAGED TO ANNUALLY CONTRIBUTE SHAREHOLDER  
5 PROFITS TO THE PIPP PROGRAM. ANY AMOUNT CONTRIBUTED BY THE  
6 UTILITY IS NOT TO BE DIRECTLY OR INDIRECTLY RECOVERED FROM  
7 CUSTOMERS.

8 (d) AN INVESTOR-OWNED UTILITY MUST USE THE REVENUE  
9 GENERATED FROM THE PIPP CHARGE PLUS ANY AMOUNT CONTRIBUTED BY  
10 THE UTILITY PURSUANT TO SUBSECTION (7)(c) OF THIS SECTION ONLY FOR  
11 THE FOLLOWING PURPOSES:

12 (I) TO PROVIDE CREDITS OR DISCOUNTS TO PARTICIPANTS APPLIED  
13 AGAINST THE PARTICIPANTS' BILL FOR CURRENT USAGE;

14 (II) TO PROVIDE CREDITS TO PARTICIPANTS FOR THE PARTICIPANTS'  
15 ARREARAGES;

16 (III) TO COVER ADMINISTRATIVE COSTS OF IMPLEMENTING AND  
17 ADMINISTERING THE PIPP PROGRAM; AND

18 (IV) TO COVER PIPP PROGRAM EVALUATION COSTS REQUIRED BY  
19 THE COMMISSION.

20 (e) THE COMMISSION SHALL DETERMINE BY RULE THE AMOUNT OF  
21 THE PIPP CHARGE AND PROCEDURES BY WHICH A UTILITY MAY APPLY TO  
22 INCREASE OR DECREASE THE MONTHLY PIPP CHARGE.

23 (f) (I) AN INVESTOR-OWNED UTILITY SHALL TRACK AND  
24 ANNUALLY REPORT THE FOLLOWING INFORMATION TO THE COMMISSION:

25 (A) THE PIPP CHARGE REVENUE COLLECTED BY THE UTILITY;

26 (B) THE PIPP CHARGE UTILITY CONTRIBUTION AMOUNT  
27 DESCRIBED IN SUBSECTION (7)(c) OF THIS SECTION;

28 (C) ADMINISTRATIVE COSTS ASSOCIATED WITH IMPLEMENTING  
29 AND ADMINISTERING THE PIPP PROGRAM;

30 (D) THE AMOUNT OF FIXED CREDITS PROVIDED TO PARTICIPANTS  
31 IN THE PIPP PROGRAM; AND

32 (E) THE AMOUNT OF ARREARAGE CREDITS PROVIDED TO  
33 PARTICIPANTS IN THE PIPP PROGRAM.

34 (II) THE COMMISSION SHALL REPORT THE INFORMATION REPORTED  
35 BY AN INVESTOR-OWNED UTILITY PURSUANT TO SUBSECTION (7)(f)(I) OF  
36 THIS SECTION IN THE COMMISSION'S ANNUAL REPORTING REQUIREMENTS  
37 ESTABLISHED BY THE COMMISSION BY RULE.

38 (8) **Rules.** THE COMMISSION SHALL ADOPT ANY RULES NECESSARY  
39 TO IMPLEMENT AND ENFORCE THIS SECTION.

40 **SECTION 2. Act subject to petition - effective date.** This act  
41 takes effect at 12:01 a.m. on the day following the expiration of the  
42 ninety-day period after final adjournment of the general assembly (August  
43 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a

1 referendum petition is filed pursuant to section 1 (3) of article V of the  
2 state constitution against this act or an item, section, or part of this act  
3 within such period, then the act, item, section, or part will not take effect  
4 unless approved by the people at the general election to be held in  
5 November 2026 and, in such case, will take effect on the date of the  
6 official declaration of the vote thereon by the governor."

7 Page 1, strike lines 102 through 105 and substitute "**THEREWITH,**  
8 **ESTABLISHING A PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM**  
9 **FOR INCOME-QUALIFIED UTILITY CUSTOMERS.**".

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