Committee on Transportation & Energy.

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

SB20-150 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1. Amend printed bill, page 3, after line 18 insert:

2. "(a) "AUTOMATIC ADJUSTMENT CLAUSE" MEANS AN ANNUAL MECHANISM THAT ALLOWS FOR RECOVERY OF INVESTMENT ON AN UNLAGGED BASIS WITH A FORWARD-LOOKING REVENUE REQUIREMENT CALCULATION WITH A TRUE-UP PROCESS.".

3. Reletter succeeding paragraphs accordingly.

4. Page 3, strike lines 22 and 23.

5. Page 3, line 25, after "HUNDRED" insert "FIFTY".

6. Page 4, line 1, change the period to a semicolon and add "EXCEPT THAT THE TERM DOES NOT INCLUDE A MUNICIPALLY OWNED NATURAL GAS UTILITY.".

7. Page 4, line 18, after "PRODUCTS" insert "THAT ARE" and strike "OR".

8. Page 4, line 19, strike "REQUIREMENTS:" and substitute "REQUIREMENTS OR ARE DELIVERED BY AN ALTERNATIVE ENERGY CARRIER:".

9. Page 5, line 5, strike "OR".
Page 5, line 7, strike "DIGESTERS." and substitute "DIGESTERS; OR

(I) THE DECOMPOSITION OF ORGANIC FOOD WASTE.".

Page 5, line 13, after "HUNDRED" insert "FIFTY".

Page 5, strike line 25 and substitute "PROGRAM;

(II) MODIFYING THE COMMISSION'S RULES FOR GAS COST
ADJUSTMENT AND PRUDENCE REVIEW TO:

(A) ALLOW RENEWABLE NATURAL GAS PURCHASES TO BE
INCLUDED IN A GAS COST ADJUSTMENT;

(B) CREATE A PRUDENCE REVIEW STANDARD FOR RENEWABLE
NATURAL GAS PURCHASES THAT WILL PROVIDE ASSURANCE THAT
RENEWABLE NATURAL GAS PURCHASES WILL BE RECOVERABLE UNDER THE
GAS COST ADJUSTMENT; AND

(C) REFLECT RENEWABLE NATURAL GAS CREDITS RECEIVED BY A
NATURAL GAS UTILITY AS A CREDIT AGAINST COSTS INCLUDED IN THAT
UTILITY'S GAS COST ADJUSTMENT; AND".

Renumber succeeding subparagraph accordingly.

Page 6, line 6, strike "BIOGAS" and substitute "RENEWABLE NATURAL
GAS".

Page 6, line 15, strike "GAS:" and substitute "GAS AND TO GENERATE
ELECTRICITY USING RENEWABLE NATURAL GAS FOR SALE OF ELECTRICITY
TO RETAIL ELECTRICITY CUSTOMERS:".

Page 7, line 18, strike "OR GAS CLEANING," and substitute "GAS CLEANING,
OR ELECTRICITY GENERATION FROM RENEWABLE NATURAL GAS,".

Page 7, line 22, strike "FIVE" and substitute "TWO".

Page 9, strike lines 14 through 16 and substitute:

"(c) COSTS PRUDENTLY INCURRED BY A SMALL NATURAL GAS
UTILITY PURSUANT TO A FILING SUBMITTED UNDER THIS SUBSECTION (5)
MAY BE RECOVERED EITHER IN THE UTILITY'S RATE BASE OR BY MEANS OF
AN AUTOMATIC ADJUSTMENT CLAUSE.".

Page 9, line 22, after "(6)" insert "(a)".
Page 9, after line 23 insert:

"(b) The Commission's rules must establish a renewable natural gas tracking and verification process to provide local distribution company end users with compliance data. The process must allow for an assessment of the total amount of renewable natural gas produced and distributed, including both:

(I) System gas that is contracted for by a local distribution company; and
(II) Transport gas that is contracted for by an end user.

(c) The Commission's rules must establish a program of tradeable renewable natural gas environmental attribute credits that may be used by large natural gas utilities and small natural gas utilities for the sole purpose of complying with this section. The Commission shall consult with the Department of Public Health and Environment in the design of the credit trading program. In no event shall the Commission allow any renewable natural gas environmental attribute credits generated pursuant to the credit trading program to be used for any purpose other than compliance with this section.

(7) A municipally owned natural gas utility may implement a renewable natural gas program similar to the programs described in this section and, if so, shall submit a statement to the Commission to demonstrate that the utility has done so. Any such statement is for informational purposes only and is not subject to approval by the Commission."

*SB150_S_TRA.001*