

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

REREVISED

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

LLS NO. 21-0499.01 Duane Gall x4335

SENATE BILL 21-072

SENATE SPONSORSHIP

Hansen and Coram, Bridges, Jaquez Lewis, Pettersen, Priola, Rankin, Simpson, Winter

HOUSE SPONSORSHIP

Valdez A. and Catlin, Bernett, Bird, Boesenecker, Cutter, Exum, Froelich, Gray, Hooton, Jodeh, Kipp, Lynch, McLachlan, Titone, Valdez D., Young

Senate Committees

Transportation & Energy
Appropriations

House Committees

Energy & Environment
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE EXPANSION OF ELECTRIC TRANSMISSION FACILITIES**
102 **TO ENABLE COLORADO TO MEET ITS CLEAN ENERGY GOALS,**
103 **AND, IN CONNECTION THEREWITH, CREATING THE COLORADO**
104 **ELECTRIC TRANSMISSION AUTHORITY, REQUIRING**
105 **TRANSMISSION UTILITIES TO JOIN ORGANIZED WHOLESALE**
106 **MARKETS, AND ALLOWING ADDITIONAL CLASSES OF**
107 **TRANSMISSION UTILITIES TO OBTAIN REVENUE THROUGH THE**
108 **COLOCATION OF BROADBAND FACILITIES WITHIN THEIR**
109 **EXISTING RIGHTS-OF-WAY.**

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

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

HOUSE
3rd Reading Unamended
June 3, 2021

HOUSE
Amended 2nd Reading
June 1, 2021

SENATE
3rd Reading Unamended
April 14, 2021

SENATE
Amended 2nd Reading
April 13, 2021

applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Section 1 of the bill directs the public utilities commission (PUC) to approve utilities' applications to build new transmission facilities if the PUC, in its discretion, finds that the new facilities would assist the utilities in meeting the state's clean energy goals established in 2019. In constructing or expanding transmission facilities, a utility must use its own employees, engage a contractor whose employees have access to federally approved apprenticeship programs, or both. Section 1 also requires the PUC to consider the ability of the proposed facilities to support future expansion as needed to enable the utility to participate in a regional transmission organization (RTO). An application for construction or expansion of transmission facilities is deemed approved if the PUC does not deny it within 180 days after the application is complete and public notice has been given.

Sections 4 and 5 create the Colorado electric transmission authority (CETA) as an independent special purpose authority, and section 4 specifies the composition and manner of appointment of the board of directors that governs the authority. CETA is authorized to select a qualified transmission operator to finance, plan, acquire, maintain, and operate eligible electric transmission and interconnected storage facilities (eligible facilities).

Under **sections 4 and 6**, CETA is granted various powers necessary to accomplish its purposes, including the power to:

- Issue revenue bonds;
- Identify and establish intrastate electric transmission corridors;
- Coordinate with other entities to establish interstate electric transmission corridors;
- Exercise the power of eminent domain to acquire eligible facilities; and
- Collect payments of reasonable rates, fees, interest, or other charges from persons using eligible facilities.

CETA is generally subject to state open records and open meetings requirements, but proprietary confidential information that it holds, including power purchase agreements, costs of production, costs of transmission, transmission service agreements, credit reviews, detailed power models, and financing statements, is not subject to inspection. **Section 8** authorizes payment of CETA's administrative expenses, not to exceed \$500,000 annually, from an existing cash fund administered by the PUC.

Section 2 sets out deadlines and conditions under which an electric utility that owns and controls transmission facilities is required to join an RTO. The commission may delay or waive this requirement for a utility

that is unable, despite its best efforts, to find a viable and available RTO to join or if the commission finds, in the course of its ongoing study of RTOs under Senate Bill 19-236, that requiring the utility to join an RTO would not be in the public interest.

Under current law, a cooperative electric association with an electric easement on real property is authorized to install or to allow a commercial broadband supplier to install broadband facilities on the real property, subject to notice and procedural requirements. **Section 3** expands the authorization to also apply to either of the following entities with an electric easement:

- A generation and transmission cooperative electric association; or
- The federal western area power administration within the United States department of energy.

Section 7 specifies that when a right-of-way is taken for an interstate electric transmission line, the court shall evaluate public purpose in light of the transmission system as a whole, including public use and benefits occurring both within Colorado and at a regional level.

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

2 **SECTION 1. In Colorado Revised Statutes, 40-2-126, amend (3)**
3 **introductory portion and (3)(a); add (5); and recreate and reenact, with**
4 **amendments, (4) as follows:**

5 **40-2-126. Transmission facilities - biennial review - energy**
6 **resource zones - definition - plans - approval - cost recovery. (3) The**
7 **commission shall MAY, CONSISTENT WITH ITS AUTHORITY, approve a**
8 **utility's application for a certificate of public convenience and necessity**
9 **for the COST-EFFECTIVE construction or expansion of transmission**
10 **facilities pursuant to paragraph (b) of subsection (2) SUBSECTION (2)(b)**
11 **of this section if the commission finds that:**

12 **(a) The construction or expansion:**

13 **(I) Is required to:**

14 **(A) Ensure the reliable delivery of electricity to Colorado**
15 **consumers, or to EITHER ALONE OR IN COMBINATION WITH THE**

1 CONSUMERS OF OTHER STATES SERVED BY AN ORGANIZED WHOLESALE
2 MARKET AS DEFINED IN SECTION 40-5-108 (1)(a); OR

3 (B) Enable the utility to meet the renewable energy standards set
4 forth in section 40-2-124 OR ACHIEVE EMISSION REDUCTIONS UNDER
5 SECTION 25-7-102 OR 40-2-125.5;

6 (II) CAN REASONABLY ACCOMMODATE FUTURE EXPANSION,
7 THROUGH THE ADDITION OF MORE LINES OR GREATER CAPACITY, AS MAY
8 BE REQUIRED TO SUPPORT THE UTILITY'S PARTICIPATION IN AN ORGANIZED
9 WHOLESALE MARKET AS DEFINED IN SECTION 40-5-108 (1)(a); and

10 (4) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IN
11 RESPONSE TO ANY APPLICATION FOR A CERTIFICATE OF PUBLIC
12 CONVENIENCE AND NECESSITY FOR THE CONSTRUCTION OR EXPANSION OF
13 TRANSMISSION FACILITIES THAT IS SUBMITTED TO THE COMMISSION
14 PURSUANT TO SUBSECTION (2)(d) OF THIS SECTION, THE COMMISSION
15 SHALL ISSUE A FINAL ORDER WITHIN TWO HUNDRED FORTY DAYS AFTER
16 THE APPLICATION IS DEEMED COMPLETE AND PUBLIC NOTICE OF THE
17 APPLICATION IS GIVEN; EXCEPT THAT THE APPLICANT MAY WAIVE THIS
18 TWO-HUNDRED-FORTY-DAY DEADLINE. ABSENT SUCH WAIVER, IF THE
19 COMMISSION DOES NOT ISSUE A FINAL ORDER WITHIN THAT PERIOD, THE
20 APPLICATION IS DEEMED APPROVED.

21 (5) IN ANY CONSTRUCTION OR EXPANSION APPROVED PURSUANT
22 TO THIS SECTION, THE UTILITY SHALL USE ITS OWN EMPLOYEES OR
23 QUALIFIED CONTRACTORS, OR BOTH, BUT SHALL NOT USE A CONTRACTOR
24 UNLESS THE CONTRACTOR'S EMPLOYEES HAVE ACCESS TO AN
25 APPRENTICESHIP PROGRAM REGISTERED WITH THE UNITED STATES
26 DEPARTMENT OF LABOR'S OFFICE OF APPRENTICESHIP OR BY A STATE
27 APPRENTICESHIP COUNCIL RECOGNIZED BY THAT OFFICE; EXCEPT THAT

1 THIS APPRENTICESHIP REQUIREMENT DOES NOT APPLY TO:

2 (a) THE DESIGN, PLANNING, OR ENGINEERING OF THE
3 TRANSMISSION FACILITIES;

4 (b) MANAGEMENT FUNCTIONS TO OPERATE THE TRANSMISSION
5 FACILITIES; OR

6 (c) ANY WORK PERFORMED IN RESPONSE TO A WARRANTY CLAIM.

7 SECTION 2. In Colorado Revised Statutes, add 40-5-108 as
8 follows:

9 **40-5-108. Electric utility participation in organized wholesale**
10 **markets required - conditions - authority of commission - legislative**
11 **declaration - definitions. (1) AS USED IN THIS SECTION, UNLESS THE**
12 **CONTEXT OTHERWISE REQUIRES:**

13 (a) "ORGANIZED WHOLESALE MARKET" OR "OWM" MEANS A
14 REGIONAL TRANSMISSION ORGANIZATION, ALSO KNOWN AS AN RTO, OR
15 AN INDEPENDENT SYSTEM OPERATOR, ALSO KNOWN AS AN ISO,
16 ESTABLISHED FOR THE PURPOSE OF COORDINATING AND EFFICIENTLY
17 MANAGING THE DISPATCH AND TRANSMISSION OF ELECTRICITY AMONG
18 PUBLIC UTILITIES ON A MULTISTATE OR REGIONAL BASIS AND THAT:

19 (I) IS APPROVED BY THE FEDERAL ENERGY REGULATORY
20 COMMISSION;

21 (II) EFFECTS SEPARATE CONTROL OF TRANSMISSION FACILITIES
22 FROM CONTROL OF GENERATION FACILITIES;

23 (III) IMPLEMENTS, TO THE EXTENT REASONABLY POSSIBLE,
24 POLICIES AND PROCEDURES DESIGNED TO MINIMIZE PANCAKED
25 TRANSMISSION RATES WITHIN COLORADO;

26 (IV) IMPROVES, TO THE EXTENT REASONABLY POSSIBLE, SERVICE
27 RELIABILITY WITHIN COLORADO;

1 (V) IS OF SUFFICIENT SCOPE OR OTHERWISE OPERATES TO
2 SUBSTANTIALLY INCREASE ECONOMICAL SUPPLY OPTIONS FOR
3 CUSTOMERS;

4 (VI) HAS A STRUCTURE OF GOVERNANCE OR CONTROL THAT IS
5 INDEPENDENT OF THE OWNERSHIP AND OPERATION OF THE TRANSMISSION
6 FACILITIES, AND NO MEMBER OF ITS BOARD OF DIRECTORS HAS AN
7 AFFILIATION WITH A USER OR WITH AN AFFILIATE OF A USER DURING THE
8 MEMBER'S TENURE ON THE BOARD SO AS TO UNDULY AFFECT THE OWM'S
9 PERFORMANCE. AS USED IN THIS SUBSECTION (1)(a)(VI), "USER" MEANS
10 ANY ENTITY OR AFFILIATE OF THAT ENTITY THAT BUYS OR SELLS ELECTRIC
11 ENERGY IN THE OWM'S REGION OR IN A NEIGHBORING REGION.

12 (VII) IMPROVES EMISSION-REDUCTION AND CUSTOMER-SAVINGS
13 BENEFITS TO COLORADO CUSTOMERS FROM OPERATION WITHIN THE
14 WESTERN INTERCONNECTION WITHOUT SIGNIFICANTLY IMPAIRING ACTIONS
15 TAKEN BY PUBLIC UTILITIES TO MEET THE EMISSION-REDUCTION GOALS OF
16 SECTIONS 25-7-102 AND 40-2-125.5 AND TO CONTINUE TO ADVANCE THE
17 OBJECTIVES OF THOSE SECTIONS;

18 (VIII) HAS AN INCLUSIVE AND OPEN STAKEHOLDER PROCESS THAT
19 DOES NOT PLACE UNREASONABLE BURDENS ON, OR PRECLUDE
20 MEANINGFUL PARTICIPATION BY, ANY STAKEHOLDER GROUP;

21 (IX) INCLUDES ALL TRANSMISSION AND GENERATION RESOURCES
22 APPROVED, ACQUIRED, OR CONSTRUCTED AND IN SERVICE BY 2030 TO
23 MEET THE EMISSION REDUCTION REQUIREMENTS OF SECTIONS 25-7-102
24 AND 40-2-125.5; AND

25 (X) CONSISTENT WITH AND IN SUPPORT OF FERC POLICIES AND
26 ORDERS AND LOCAL PLANNING BY COLORADO PUBLIC UTILITIES, IS
27 CAPABLE OF: PLANNING FOR IMPROVED EFFICIENCY OF USE, FUTURE

1 EXPANSION, AND CONSIDERATION OF ALL OPTIONS FOR MEETING
2 TRANSMISSION NEEDS; PROVIDING EFFECTIVE COST ALLOCATIONS THAT
3 REFLECT BENEFITS OF TRANSMISSION INVESTMENTS; MAINTAINING
4 REAL-TIME RELIABILITY OF THE ELECTRIC TRANSMISSION SYSTEM WHILE
5 PROMOTING MORE EFFICIENT USE OF THE TRANSMISSION SYSTEM IN
6 COLORADO AND NEIGHBORING AREAS IN THE WESTERN
7 INTERCONNECTION; ENSURING COMPARABLE AND NONDISCRIMINATORY
8 TRANSMISSION ACCESS AND NECESSARY SERVICES; MINIMIZING SYSTEM
9 CONGESTION; AND FURTHER ADDRESSING REAL OR POTENTIAL
10 TRANSMISSION CONSTRAINTS.

11 (b) "TRANSMISSION UTILITY" MEANS A PUBLIC UTILITY THAT:
12 (I) IS A WHOLESALE ELECTRICITY SUPPLIER OR TRANSMITTER; AND
13 (II) OWNS AND OPERATES ELECTRIC TRANSMISSION LINES CAPABLE
14 OF TRANSMITTING ELECTRIC ENERGY AT A VOLTAGE OF ONE HUNDRED
15 KILOVOLTS OR MORE.

16 (2) (a) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION
17 (2)(a)(II) OF THIS SECTION, AND EXCEPT FOR MUNICIPALLY OWNED
18 UTILITIES AND POWER AUTHORITIES, ALL COLORADO TRANSMISSION
19 UTILITIES SHALL JOIN AN ORGANIZED WHOLESALE MARKET ON OR BEFORE
20 JANUARY 1, 2030.

21 (II) UPON APPLICATION BY A TRANSMISSION UTILITY, THE
22 COMMISSION MAY WAIVE OR DELAY THE REQUIREMENT STATED IN
23 SUBSECTION (2)(a)(I) OF THIS SECTION IF:

24 (A) THE COMMISSION HAS DETERMINED THAT THE TRANSMISSION
25 UTILITY HAS MADE ALL REASONABLE EFFORTS TO COMPLY WITH THE
26 REQUIREMENT BUT THERE IS NO VIABLE AND AVAILABLE OWM THAT THE
27 REQUIREMENT BUT THERE IS NO VIABLE AND AVAILABLE OWM THAT THE

1 TRANSMISSION UTILITY CAN JOIN BY JANUARY 1, 2030; AND

2 (B) THE COMMISSION HAS DETERMINED THAT REQUIRING THE
3 TRANSMISSION UTILITY TO JOIN AN OWM IS NOT IN THE PUBLIC INTEREST
4 BASED ON THE COMMISSION'S EVALUATION OF APPROPRIATE FACTORS,
5 INCLUDING WHETHER THE OWM HAS ESTABLISHED POLICIES REGARDING
6 TRACKING AND REPORTING OF EMISSIONS WITH A SYSTEM TO ATTRIBUTE
7 EMISSIONS TO TRANSMISSION OWNERS, PROMOTING LOAD FLEXIBILITY AND
8 DEMAND-SIDE RESOURCES, PROMOTING THE INTEGRATION OF CLEAN
9 ENERGY RESOURCES, AND REDUCING THE COSTS AND INEFFICIENCIES OF
10 TRANSACTIONS BETWEEN BALANCING AREAS AND BETWEEN MARKET
11 CONSTRUCTS, IF ANY.

12 (b) THE COMMISSION IS DIRECTED TO PARTICIPATE ON BEHALF OF
13 THE STATE OF COLORADO, AS IT DEEMS APPROPRIATE, IN PROCEEDINGS
14 BEFORE THE FERC INVOLVING THE MANAGEMENT OF PHYSICAL
15 CONNECTIONS, SHARING OF DATA, AND INTERPRETATION AND
16 IMPLEMENTATION OF TARIFF AND BUSINESS PRACTICES BETWEEN OWMs
17 WHOSE BOUNDARIES MEET WITHIN COLORADO.

18 (c) THE GENERAL ASSEMBLY FINDS, DETERMINES, AND DECLARES
19 THAT THE PARTICIPATION OF TRANSMISSION UTILITIES IN OWMs AND THE
20 IMPLEMENTATION OF THE "COLORADO ELECTRIC TRANSMISSION
21 AUTHORITY ACT", ARTICLE 42 OF THIS TITLE 40, WILL ASSIST
22 TRANSMISSION UTILITIES AND THE COLORADO ELECTRIC TRANSMISSION
23 AUTHORITY IN ENSURING THE RESILIENCE OF THE ELECTRIC GRID AND ITS
24 RESISTANCE TO BOTH NATURAL DISASTERS AND INTENTIONAL ATTACKS.
25 ACCORDINGLY, THE COMMISSION IS DIRECTED TO USE ALL AVAILABLE
26 MEANS TO SUPPORT THESE ENTITIES IN PREPARING FOR, AND
27 DOCUMENTING THEIR ABILITY TO MITIGATE, ANY THREATS IDENTIFIED IN

1 THE COLORADO ENERGY ASSURANCE EMERGENCY PLAN.

2 (3) (a) THE COMMISSION SHALL CONSIDER ALLOWING, AND MAY
3 ALLOW, A TRANSMISSION UTILITY THAT JOINS AN OWM TO RECOVER
4 OWM SUBSCRIPTION FEES AND OTHER PRUDENTLY INCURRED COSTS OF
5 PARTICIPATION IN THE OWM THROUGH RATES OR THROUGH A NEW OR
6 EXISTING TRANSMISSION RIDER.

7 (b) THE COMMISSION SHALL ALLOW A TRANSMISSION UTILITY THAT
8 COMMENCES OPERATION WITH AN OWM TO COLLECT AND RETAIN A
9 SPECIFIED PERCENTAGE OF THE DEMONSTRATED NET PRESENT VALUE
10 SAVINGS ACCRUING TO COLORADO CUSTOMERS FROM PARTICIPATION IN
11 THE OWM FOR A PERIOD OF FIVE YEARS BEGINNING ON THE DATE THE
12 TRANSMISSION UTILITY COMMENCES OPERATION WITH THE OWM. THE
13 COMMISSION SHALL ALLOW A TRANSMISSION UTILITY TO RETAIN UP TO
14 THIRTY-FIVE PERCENT OF SUCH SAVINGS IN YEARS ONE AND TWO,
15 TWENTY-FIVE PERCENT IN YEAR THREE, AND TWENTY PERCENT IN YEARS
16 FOUR AND FIVE.

17 (c) A TRANSMISSION UTILITY MAY APPLY TO THE COMMISSION TO
18 IMPLEMENT A PROPOSED SHARED SAVINGS APPROACH AND TO ESTABLISH
19 A PROCEEDING TO DETERMINE THE NET PRESENT VALUE SAVINGS
20 ACCRUING TO COLORADO CUSTOMERS FROM THE PARTICIPATION OF THE
21 TRANSMISSION UTILITY IN AN OWM FOR THE PERIOD BEGINNING ON THE
22 DATE THE TRANSMISSION UTILITY COMMENCES OPERATION WITH THE
23 OWM AND ENDING ON JULY 31, 2033.

24 (d) IN ANY PROCEEDING CONDUCTED BY THE COMMISSION UNDER
25 SUBSECTION (3)(c) OF THIS SECTION, THE TRANSMISSION UTILITY SHALL
26 HAVE THE BURDEN OF PROOF TO DEMONSTRATE NET PRESENT VALUE
27 SAVINGS, AND INTERVENORS SHALL HAVE THE OPPORTUNITY TO

1 PARTICIPATE AND OFFER EVIDENCE REGARDING THE TRANSMISSION
2 UTILITY'S DEMONSTRATION OF NET PRESENT VALUE SAVINGS. THE
3 COMMISSION SHALL ISSUE A FINAL ORDER DETERMINING THE AMOUNT OF
4 NET PRESENT VALUE SAVINGS THAT A TRANSMISSION UTILITY MAY
5 COLLECT AND RETAIN PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION.

6 (4) NOTHING IN THIS SECTION SHALL BE USED OR INTERPRETED BY
7 THE COMMISSION TO DELAY OR IMPEDE ELECTRIC RESOURCE PLANNING
8 PROCEEDINGS FILED ON OR BEFORE DECEMBER 31, 2025, INCLUDING THE
9 APPROVAL, ACQUISITION OR CONSTRUCTION OF GENERATION AND
10 TRANSMISSION RESOURCES PRIOR TO A TRANSMISSION UTILITY'S ENTRY
11 INTO AN OWM AND ANY ACQUISITIONS THAT ARE PART OF OR ANCILLARY
12 TO AN ELECTRIC RESOURCE PLAN THAT INCLUDES A CLEAN ENERGY PLAN
13 APPROVED PURSUANT TO SECTION 40-2-125.5 OR 25-7-102.

14 **SECTION 3.** In Colorado Revised Statutes, 40-15-601, **amend**
15 (6) as follows:

16 **40-15-601. Definitions.** As used in this part 6, unless the context
17 otherwise requires:

18 (6) "Electric utility" means a cooperative electric association, as
19 defined in section 40-9.5-102 HAS THE MEANING SET FORTH IN SECTION
20 40-42-102 (8); EXCEPT THAT THE TERM DOES NOT INCLUDE AN
21 INVESTOR-OWNED UTILITY, A MUNICIPALLY OWNED UTILITY, OR A
22 MUNICIPALLY OWNED POWER AUTHORITY.

23
24 **SECTION 4.** In Colorado Revised Statutes, **add** article 42 to title
25 40 as follows:

26 **ARTICLE 42**
27 **Colorado Electric Transmission Authority Act**

1 **40-42-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 42 IS
2 THE "COLORADO ELECTRIC TRANSMISSION AUTHORITY ACT".

3 **40-42-102. Definitions.** AS USED IN THIS ARTICLE 42, UNLESS THE
4 CONTEXT OTHERWISE REQUIRES:

5 (1) "ACQUIRE" MEANS TO OBTAIN ELIGIBLE FACILITIES BY LEASE,
6 CONSTRUCTION, RECONSTRUCTION, PURCHASE, OR, AS AUTHORIZED BY
7 SECTION 40-42-104 (1)(p) AND SUBJECT TO THE REQUIREMENTS OF
8 ARTICLES 1 TO 7 OF TITLE 38, THE EXERCISE OF THE POWER OF EMINENT
9 DOMAIN.

10 (2) "AUTHORITY" MEANS THE COLORADO ELECTRIC TRANSMISSION
11 AUTHORITY CREATED IN SECTION 40-42-103.

12 (3) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE
13 AUTHORITY.

14 (4) "BONDS" MEANS ELECTRIC TRANSMISSION BONDS ISSUED AS
15 AUTHORIZED BY THIS ARTICLE 42 AND INCLUDES NOTES, WARRANTS,
16 BONDS, TEMPORARY BONDS, AND ANTICIPATION NOTES ISSUED BY THE
17 AUTHORITY.

18 (5) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION
19 CREATED IN SECTION 40-2-101.

20 (6) "ELECTRIC TRANSMISSION AUTHORITY OPERATIONAL FUND" OR
21 "OPERATIONAL FUND" MEANS THE FUND CREATED IN SECTION 40-42-106.

22 (7) "ELECTRIC TRANSMISSION BONDING FUND" OR "BONDING
23 FUND" MEANS THE FUND CREATED IN SECTION 40-42-105 (3).

24 (8) "ELECTRIC UTILITY" MEANS AN ENTITY OPERATING FOR THE
25 PURPOSE OF SUPPLYING OR TRANSMITTING ELECTRICITY TO THE PUBLIC
26 FOR DOMESTIC, MECHANICAL, OR PUBLIC USES AND INCLUDES A
27 MUNICIPALLY OWNED UTILITY, A TRANSMISSION UTILITY, AS DEFINED IN

1 SECTION 40-5-108 (1)(b), A COOPERATIVE ELECTRIC ASSOCIATION, A
2 WHOLESALE ELECTRIC COOPERATIVE, AS DEFINED IN SECTION 40-2-136
3 (3)(c), A NONPROFIT ELECTRIC CORPORATION OR ASSOCIATION, AND EVERY
4 OTHER VERTICALLY INTEGRATED SUPPLIER OF ELECTRIC ENERGY
5 SUPPLYING ELECTRIC ENERGY FOR ITS CUSTOMERS OR FOR THE USE OF ITS
6 OWN MEMBERS.

7 (9) "ELIGIBLE FACILITIES" MEANS FACILITIES THAT ARE FINANCED
8 OR ACQUIRED BY THE AUTHORITY.

9 (10) "FACILITIES" MEANS ELECTRIC TRANSMISSION FACILITIES AND
10 ALL RELATED STRUCTURES, PROPERTIES, AND SUPPORTING
11 INFRASTRUCTURE, INCLUDING ANY INTERESTS THEREIN. THE TERM DOES
12 NOT INCLUDE INTERCONNECTION FACILITIES FROM AN ELECTRIC
13 GENERATOR, OR FROM A STORAGE PROJECT THAT IS USED FOR ELECTRIC
14 GENERATION, TO A FACILITY.

15 (11) "FERC" MEANS THE FEDERAL ENERGY REGULATORY
16 COMMISSION.

17 (12) "FINANCE" OR "FINANCING" MEANS THE LENDING OF BOND
18 PROCEEDS BY THE AUTHORITY TO A PUBLIC UTILITY OR OTHER PRIVATE
19 PERSON FOR THE PURPOSE OF PLANNING, ACQUIRING, OPERATING, AND
20 MAINTAINING ELIGIBLE FACILITIES IN WHOLE OR IN PART BY THE PUBLIC
21 UTILITY OR OTHER PRIVATE PERSON.

22 (13) "LOCAL GOVERNMENT" MEANS A COUNTY, HOME RULE OR
23 STATUTORY CITY, TOWN, TERRITORIAL CHARTER CITY, OR CITY AND
24 COUNTY.

25 (14) "PROJECT" MEANS AN UNDERTAKING BY THE AUTHORITY TO
26 FINANCE OR TO PLAN, ACQUIRE, MAINTAIN, AND OPERATE ELIGIBLE
27 FACILITIES LOCATED PARTLY OR ENTIRELY WITHIN COLORADO.

1 (15) "STORAGE" HAS THE SAME MEANING AS "ENERGY STORAGE
2 SYSTEM" AS DEFINED IN SECTION 40-2-202 (2).

3 **40-42-103. Authority - creation - board - open meetings and**
4 **open records.** (1) THE COLORADO ELECTRIC TRANSMISSION AUTHORITY
5 IS HEREBY CREATED AS AN INDEPENDENT PUBLIC BODY POLITIC AND
6 CORPORATE. THE AUTHORITY IS A PUBLIC INSTRUMENTALITY, AND ITS
7 EXERCISE OF THE POWERS AS AUTHORIZED BY THIS ARTICLE 42 IS THE
8 PERFORMANCE OF AN ESSENTIAL PUBLIC FUNCTION. THE AUTHORITY IS A
9 POLITICAL SUBDIVISION OF THE STATE, IS NOT AN AGENCY OF STATE
10 GOVERNMENT, AND IS NOT SUBJECT TO ADMINISTRATIVE DIRECTION BY
11 ANY DEPARTMENT, COMMISSION, BOARD, OR AGENCY OF THE STATE.

12 (2) (a) THE POWERS OF THE AUTHORITY ARE VESTED IN A BOARD
13 OF DIRECTORS, WHICH CONSISTS OF THE FOLLOWING NINE MEMBERS:

14 (I) TWO MEMBERS APPOINTED BY THE GOVERNOR WITH THE
15 CONSENT OF THE SENATE;

16 (II) THE DIRECTOR OF THE COLORADO ENERGY OFFICE CREATED
17 IN SECTION 24-38.5-101 OR THE DIRECTOR'S DESIGNEE;

18 (III) THREE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE
19 OF REPRESENTATIVES; AND

20 (IV) THREE MEMBERS APPOINTED BY THE PRESIDENT OF THE
21 SENATE.

22 (b) THE APPOINTED MEMBERS OF THE BOARD MUST HAVE THE
23 FOLLOWING QUALIFICATIONS:

24 (I) OF THE MEMBERS APPOINTED BY THE GOVERNOR, ONE MUST
25 HAVE EXPERTISE IN FINANCIAL MATTERS INVOLVING THE FINANCING OF
26 MAJOR ELECTRIC TRANSMISSION PROJECTS AND THE OTHER MUST
27 REPRESENT THE INTERESTS OF ELECTRIC UTILITY CUSTOMERS RESIDING

1 WEST OF THE CONTINENTAL DIVIDE;
2 (II) OF THE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE
3 OF REPRESENTATIVES, ONE MUST HAVE UTILITY EXPERIENCE;
4 (III) OF THE MEMBERS APPOINTED BY THE PRESIDENT OF THE
5 SENATE, ONE MUST REPRESENT THE INTERESTS OF WILDLIFE
6 CONSERVATION AND LAND USE;
7 (IV) OF THE MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE
8 OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE:
9 (A) ONE MUST REPRESENT THE INTERESTS OF ORGANIZED LABOR;
10 (B) ONE MUST REPRESENT THE INTERESTS OF RESIDENTIAL
11 CUSTOMERS OF ELECTRIC UTILITIES;
12 (C) ONE MUST REPRESENT THE INTERESTS OF COMMERCIAL OR
13 INDUSTRIAL CUSTOMERS OF ELECTRIC UTILITIES; AND
14 (D) ONE MUST HAVE KNOWLEDGE OF RENEWABLE ENERGY
15 DEVELOPMENT.
16 (c) A MEMBER OF THE BOARD SHALL NOT REPRESENT A PERSON
17 THAT OWNS OR OPERATES FACILITIES.
18 (d) BOARD MEMBERS SHALL SERVE FOUR-YEAR TERMS; EXCEPT
19 THAT, OF THE APPOINTED MEMBERS INITIALLY APPOINTED TO THE BOARD,
20 ONE OF THE MEMBERS APPOINTED BY THE GOVERNOR AND ONE OF THE
21 MEMBERS APPOINTED BY THE SPEAKER OF THE HOUSE OF
22 REPRESENTATIVES SHALL SERVE INITIAL TERMS OF THREE YEARS AND ONE
23 OF THE MEMBERS APPOINTED BY THE GOVERNOR AND ONE OF THE
24 MEMBERS APPOINTED BY THE PRESIDENT OF THE SENATE SHALL SERVE
25 INITIAL TERMS OF TWO YEARS. THE REMAINDER OF THE APPOINTED
26 MEMBERS INITIALLY APPOINTED TO THE BOARD SHALL SERVE FOUR-YEAR
27 TERMS. THEREAFTER, ALL APPOINTED MEMBERS OF THE BOARD SHALL

1 SERVE FOUR-YEAR TERMS. A VACANCY IN THE MEMBERSHIP OF THE BOARD
2 MUST BE FILLED IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT
3 FOR THE REMAINDER OF THE EXPIRED TERM ONLY.

4 (e) AN APPOINTED MEMBER OF THE BOARD IS ELIGIBLE FOR
5 REAPPOINTMENT. AN APPOINTING AUTHORITY MAY REMOVE A MEMBER OF
6 THE BOARD FOR CAUSE.

7 (f) BOARD MEMBERS SHALL NOT RECEIVE COMPENSATION FOR
8 THEIR SERVICES BUT SHALL BE REIMBURSED FOR THEIR REASONABLE AND
9 NECESSARY TRAVEL AND OTHER EXPENSES INCURRED IN THE
10 PERFORMANCE OF THEIR OFFICIAL DUTIES.

11 (3) THE MEMBERS OF THE BOARD SHALL ELECT A CHAIR AND A
12 VICE-CHAIR. FOUR MEMBERS OF THE BOARD CONSTITUTE A QUORUM.

13 (4) THE AUTHORITY IS SUBJECT TO THE OPEN MEETINGS
14 PROVISIONS OF THE "COLORADO SUNSHINE ACT OF 1972", ARTICLE 6 OF
15 TITLE 24, AND TO THE "COLORADO OPEN RECORDS ACT", PART 2 OF
16 ARTICLE 72 OF TITLE 24. HOWEVER, INFORMATION OBTAINED BY THE
17 AUTHORITY THAT IS DESIGNATED BY THE BOARD AS PROPRIETARY
18 TECHNICAL OR BUSINESS INFORMATION IS CONFIDENTIAL AND IS NOT
19 SUBJECT TO INSPECTION PURSUANT TO THE "COLORADO OPEN RECORDS
20 ACT". INFORMATION THAT THE BOARD MAY DESIGNATE AS PROPRIETARY
21 CONFIDENTIAL INFORMATION INCLUDES POWER PURCHASE AGREEMENTS,
22 COSTS OF PRODUCTION, COSTS OF TRANSMISSION, TRANSMISSION SERVICE
23 AGREEMENTS, CREDIT REVIEWS, DETAILED POWER MODELS, AND
24 FINANCING STATEMENTS.

25 **40-42-104. General and specific powers and duties of the**
26 **authority. (1) EXCEPT AS OTHERWISE LIMITED BY THIS ARTICLE 42, THE**
27 **AUTHORITY, ACTING THROUGH THE BOARD, HAS THE POWER TO:**

1 (a) HOLD AND EXERCISE ALL RIGHTS, DUTIES, PRIVILEGES,
2 IMMUNITIES, LIABILITIES, AND DISABILITIES OF A BODY CORPORATE AND
3 A POLITICAL SUBDIVISION OF THE STATE;

4 (b) HAVE AN OFFICIAL SEAL AND ALTER THE SEAL AT THE BOARD'S
5 PLEASURE;

6 (c) ESTABLISH REASONABLE ADMINISTRATIVE AND PROCEDURAL
7 BYLAWS FOR ITS ORGANIZATION AND INTERNAL MANAGEMENT AND FOR
8 THE CONDUCT OF ITS AFFAIRS AND BUSINESS;

9 (d) MAINTAIN AN OFFICE AT ANY PLACE IN COLORADO THAT IT
10 MAY DETERMINE;

11 (e) ACQUIRE, HOLD, USE, OWN IN WHOLE OR IN PART, LEASE, RENT,
12 AND DISPOSE OF REAL AND PERSONAL PROPERTY AND ITS INCOME,
13 REVENUE, FUNDS, AND MONEY;

14 (f) SOLICIT AND RECEIVE AND EXPEND GIFTS, GRANTS, AND
15 DONATIONS;

16 (g) MAKE AND ENTER INTO ALL CONTRACTS, LEASES, AND
17 AGREEMENTS, INCLUDING INTERGOVERNMENTAL AGREEMENTS AND
18 ASSIGNMENTS OF PAYMENTS TO HOST LANDOWNERS, THAT ARE
19 NECESSARY OR INCIDENTAL TO THE PERFORMANCE OF ITS DUTIES AND THE
20 EXERCISE OF ITS POWERS UNDER THIS ARTICLE 42, INCLUDING:

21 (I) CONTRACTS TO PURCHASE AND DISPOSE OF ELIGIBLE
22 FACILITIES;

23 (II) CONTRACTS FOR THE LEASE AND OPERATION BY THE
24 AUTHORITY OF ELIGIBLE FACILITIES OWNED BY AN ELECTRIC UTILITY OR
25 OTHER PRIVATE PERSON; AND

26 (III) CONTRACTS FOR LEASING ELIGIBLE FACILITIES OWNED BY THE
27 AUTHORITY, SUBJECT TO THE REQUIREMENT THAT THE AUTHORITY

1 DEPOSIT ANY REVENUE DERIVED PURSUANT TO THE LEASE INTO THE
2 ELECTRIC TRANSMISSION BONDING FUND;

3 (h) UNLESS OTHERWISE SPECIFICALLY PROHIBITED BY THIS
4 ARTICLE 42, DEPOSIT MONEY OF THE AUTHORITY IN ANY BANKING
5 INSTITUTION WITHIN OR OUTSIDE THE STATE;

6 (i) FIX THE TIME AND PLACE OR PLACES AT WHICH ITS REGULAR
7 AND SPECIAL MEETINGS ARE TO BE HELD;

8 (j) HIRE A CHIEF EXECUTIVE OFFICER OF THE AUTHORITY AND
9 AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO HIRE OTHER STAFF AS
10 NECESSARY FOR THE OPERATION OF THE AUTHORITY;

11 (k) USE THE SERVICES OF EXECUTIVE DEPARTMENTS OF THE STATE
12 UPON MUTUALLY AGREEABLE TERMS AND CONDITIONS;

13 (l) ENTER INTO PARTNERSHIPS WITH PUBLIC OR PRIVATE ENTITIES;

14 (m) IDENTIFY AND ESTABLISH CORRIDORS FOR THE TRANSMISSION
15 OF ELECTRICITY WITHIN THE STATE, SUBJECT TO SITING AND LAND USE
16 APPROVAL BY THE LOCAL GOVERNMENT WITH SITING AND LAND USE
17 AUTHORITY PURSUANT TO ARTICLE 65.1 OF TITLE 24;

18 (n) THROUGH PARTICIPATION IN APPROPRIATE REGIONAL
19 TRANSMISSION FORUMS AND OTHER ORGANIZATIONS, INCLUDING
20 ORGANIZED WHOLESALE MARKETS, AS DEFINED IN SECTION 40-5-108
21 (1)(a), COORDINATE, INVESTIGATE, PLAN, PRIORITIZE, AND NEGOTIATE
22 WITH ENTITIES WITHIN AND OUTSIDE COLORADO FOR THE ESTABLISHMENT
23 OF INTERSTATE TRANSMISSION CORRIDORS AND ENGAGE IN OTHER
24 TRANSMISSION PLANNING ACTIVITIES THAT WOULD INCREASE GRID
25 RELIABILITY, HELP COLORADO MEET ITS CLEAN ENERGY GOALS, AND AID
26 IN ECONOMIC DEVELOPMENT;

27 (o) SUBJECT TO THE REQUIREMENTS OF SUBSECTION (2) OF THIS

1 SECTION, CONDUCT A TRANSPARENT AND COMPETITIVE PROCESS TO
2 SELECT A QUALIFIED TRANSMISSION OPERATOR, AS DEFINED BY THE
3 COMMISSION, TO ASSUME THE RESPONSIBILITY TO CARRY OUT ALL
4 REQUIRED FINANCING, PLANNING, ACQUISITION, MAINTENANCE, AND
5 OPERATION OF ELIGIBLE FACILITIES NECESSARY OR USEFUL FOR THE
6 ACCOMPLISHMENT OF THE PURPOSES OF THIS ARTICLE 42;

7 (p) SUBJECT TO THE REQUIREMENTS OF ARTICLES 1 TO 7 OF TITLE
8 38, HAVE AND EXERCISE THE POWER OF EMINENT DOMAIN FOR ACQUIRING
9 ANY PROPERTY OR RIGHTS-OF-WAY, EXCEPT PROPERTY OF AN ELECTRIC
10 UTILITY OR PROPERTY OR RIGHTS-OF-WAY OWNED BY A LOCAL
11 GOVERNMENT, NECESSARY FOR PROJECTS; EXCEPT THAT, IF LAND TO BE
12 ACQUIRED THROUGH EMINENT DOMAIN IS SUBJECT TO A PERPETUAL
13 CONSERVATION EASEMENT, THE AUTHORITY SHALL PAY COMPENSATION
14 TO THE OWNER AS THOUGH THE LAND WERE NOT SUBJECT TO A PERPETUAL
15 CONSERVATION EASEMENT.

16 (q) FOR ANY PROJECT, PROVIDE INFORMATION AND TRAINING TO
17 EMPLOYEES OF THE PROJECT REGARDING:

- 18 (I) ANY UNIQUE HAZARDS THAT MAY BE POSED BY THE PROJECT;
- 19 (II) SAFE WORK PRACTICES; AND
- 20 (III) EMERGENCY PROCEDURES;

21 (r) ISSUE BONDS AS NECESSARY TO UNDERTAKE A PROJECT;

22 (s) COLLECT PAYMENTS OF REASONABLE RATES, FEES, INTEREST,
23 OR OTHER CHARGES FROM PERSONS USING ELIGIBLE FACILITIES TO
24 FINANCE ELIGIBLE FACILITIES AND FOR OTHER SERVICES RENDERED BY THE
25 AUTHORITY, SUBJECT TO THE REQUIREMENT THAT ANY REVENUE DERIVED
26 FROM PAYMENTS MADE TO THE AUTHORITY SHALL BE DEPOSITED IN THE
27 ELECTRIC TRANSMISSION BONDING FUND;

1 (t) MAKE DETERMINATIONS ABOUT THE EFFICIENT USE OF EXISTING
2 RIGHTS-OF-WAY ON PROJECTS IT PROPOSES TO DEVELOP AS A
3 PRECONDITION TO PIONEERING NEW RIGHTS-OF-WAY FOR SUCH PROJECTS;

4 (u) CONSIDER OPTIONS AND ALTERNATIVES, INCLUDING THROUGH
5 STUDIES CONTRACTED WITH INDEPENDENT EXPERT ANALYSTS, TO
6 INCREASE THE EFFICIENT USE OF THE TRANSMISSION SYSTEM AND RELIEVE
7 CONSTRAINTS ON THE TRANSMISSION SYSTEM, WHICH OPTIONS AND
8 ALTERNATIVES MAY INCLUDE STORAGE AND ADVANCED TRANSMISSION
9 TECHNOLOGIES; AND

10 (v) DO ANY AND ALL THINGS NECESSARY OR CONVENIENT TO
11 CARRY OUT ITS PURPOSES AND EXERCISE THE POWERS GIVEN AND
12 GRANTED IN THIS ARTICLE 42.

13 (2) EXCEPT AS PROVIDED IN THIS SUBSECTION (2), THE AUTHORITY
14 SHALL NOT ENTER INTO A PROJECT IF AN ELECTRIC UTILITY OR A
15 NONINCUMBENT TRANSMISSION PROVIDER OR OTHER ENTITY IS
16 CONSTRUCTING OR HAS CONSTRUCTED THE FACILITIES OR IS PROVIDING
17 THE SERVICES CONTEMPLATED BY THE AUTHORITY. BEFORE THE
18 AUTHORITY ENTERS INTO A PROJECT, THE FOLLOWING PROCEDURAL
19 REQUIREMENTS MUST BE MET:

20 (a) THE AUTHORITY SHALL PROVIDE TO EACH ELECTRIC UTILITY
21 AND THE COMMISSION AND PUBLISH AT LEAST ONCE IN A NEWSPAPER OF
22 GENERAL CIRCULATION IN COLORADO, AT LEAST ONCE IN A NEWSPAPER OF
23 GENERAL CIRCULATION IN THE AREA WHERE THE ELIGIBLE FACILITIES WILL
24 BE LOCATED, AND CONTINUOUSLY ON A PUBLICLY ACCESSIBLE WEB PAGE
25 MAINTAINED BY THE AUTHORITY AN INITIAL NOTICE DESCRIBING THE
26 PROJECT THAT THE AUTHORITY IS CONSIDERING.

27 (b) ANY PERSON WITH AN INTEREST THAT MAY BE AFFECTED BY

1 THE PROPOSED PROJECT HAS THIRTY DAYS AFTER THE DATE OF THE LAST
2 PRINTED PUBLICATION OF THE INITIAL NOTICE TO SUBMIT A WRITTEN
3 CHALLENGE CONCERNING THE PROPOSED PROJECT TO THE AUTHORITY. IF
4 THE AUTHORITY RECEIVES A CHALLENGE WITHIN THE THIRTY DAYS, THE
5 AUTHORITY SHALL HOLD A PUBLIC HEARING NO SOONER THAN THIRTY
6 DAYS AFTER RECEIVING THE CHALLENGE AND AT LEAST TWO WEEKS AFTER
7 POSTING NOTICE OF THE HEARING IN THE SAME NEWSPAPERS IN WHICH AND
8 WEB PAGE ON WHICH THE INITIAL NOTICE WAS GIVEN. FOLLOWING THE
9 PUBLIC HEARING, THE AUTHORITY SHALL MAKE A FINAL DETERMINATION
10 ON WHETHER THE AUTHORITY WILL IMPLEMENT THE PROPOSED PROJECT
11 AND GIVE NOTICE OF THE DETERMINATION IN THE SAME NEWSPAPERS AND
12 ON THE SAME WEB PAGE AS THE INITIAL NOTICE GIVEN. ANY PERSON OR
13 GOVERNMENTAL ENTITY PARTICIPATING IN THE HEARING MAY APPEAL THE
14 FINAL DETERMINATION BY FILING A NOTICE OF APPEAL WITH THE DISTRICT
15 COURT FOR THE CITY AND COUNTY OF DENVER WITHIN THIRTY-FIVE DAYS
16 AFTER THE DATE OF THE FINAL DETERMINATION.

17 (c) THE AUTHORITY SHALL COLLECT AND CONSIDER RELEVANT
18 DATA FROM DIVISION OF PARKS AND WILDLIFE'S STATE WILDLIFE ACTION
19 PLAN AND FROM THE COLORADO NATURAL HERITAGE PROGRAM
20 REGARDING WAYS IN WHICH THE PROJECT COULD CAUSE ADVERSE
21 ENVIRONMENTAL IMPACTS TO STATE AND FEDERALLY LISTED SPECIES, AS
22 WELL AS SPECIES, HABITATS, AND ECOSYSTEMS OF GREATEST
23 CONSERVATION NEED.

24 (d) ELECTRIC UTILITIES AND OTHER PERSONS WILLING AND ABLE
25 TO PROVIDE MONEY FOR, ACQUIRE, MAINTAIN, AND OPERATE THE ELIGIBLE
26 FACILITIES DESCRIBED IN THE NOTICE HAVE THE FOLLOWING PERIOD
27 WITHIN WHICH TO NOTIFY THE AUTHORITY OF INTENTION AND ABILITY TO

1 PROVIDE MONEY FOR, ACQUIRE, MAINTAIN, AND OPERATE THE ELIGIBLE
2 FACILITIES DESCRIBED IN THE NOTICE:

3 (I) WITHIN NINETY DAYS AFTER THE DATE OF THE LAST PRINTED
4 PUBLICATION OF THE INITIAL NOTICE IF NO CHALLENGE IS RECEIVED
5 PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION; OR

6 (II) WITHIN NINETY DAYS AFTER THE DATE OF THE NOTICE OF
7 DETERMINATION IF A CHALLENGE IS RECEIVED PURSUANT TO SUBSECTION
8 (2)(b) OF THIS SECTION.

9 (e) ABSENT NOTIFICATION BY AN ELECTRIC UTILITY OR OTHER
10 PERSON PURSUANT TO SUBSECTION (2)(d) OF THIS SECTION, OR IF A
11 PERSON, HAVING GIVEN NOTICE OF INTENTION TO PROVIDE MONEY FOR,
12 ACQUIRE, MAINTAIN, AND OPERATE THE ELIGIBLE FACILITIES
13 CONTEMPLATED BY THE AUTHORITY, FAILS TO MAKE A GOOD-FAITH
14 EFFORT TO BEGIN TO DO SO WITHIN SIX MONTHS AFTER THE DATE THE
15 PERSON NOTIFIED THE AUTHORITY OF ITS INTENTION, THE AUTHORITY MAY
16 PROCEED TO FINANCE, PLAN, ACQUIRE, MAINTAIN, AND OPERATE THE
17 ELIGIBLE FACILITIES ORIGINALLY CONTEMPLATED. HOWEVER, A PERSON
18 THAT, WITHIN THE TIME REQUIRED, HAS MADE NECESSARY APPLICATIONS
19 TO ACQUIRE FEDERAL, STATE, LOCAL, OR PRIVATE PERMITS, CERTIFICATES,
20 OR OTHER APPROVALS NECESSARY TO ACQUIRE THE ELIGIBLE FACILITIES
21 IS DEEMED TO HAVE COMMENCED THE ACQUISITION AS LONG AS THE
22 PERSON DILIGENTLY PURSUES THE PERMITS, CERTIFICATES, OR OTHER
23 APPROVALS.

24 (3) IN SOLICITING AND ENTERING INTO CONTRACTS FOR THE
25 TRANSMISSION OR STORAGE OF ELECTRICITY, THE AUTHORITY AND ANY
26 PERSON LEASING OR OPERATING ELIGIBLE FACILITIES FINANCED OR
27 ACQUIRED BY THE AUTHORITY SHALL, IF PRACTICABLE, GIVE PRIORITY TO

1 THOSE CONTRACTS THAT WILL TRANSMIT OR STORE ELECTRICITY TO BE
2 SOLD AND CONSUMED IN COLORADO.

3 (4) NEITHER THE AUTHORITY NOR ANY ELIGIBLE FACILITIES
4 ACQUIRED BY THE AUTHORITY ARE SUBJECT TO THE SUPERVISION,
5 REGULATION, CONTROL, OR JURISDICTION OF THE COMMISSION.

6 (5) (a) OWNERSHIP OF ELIGIBLE FACILITIES BY THE AUTHORITY
7 MAY NOT EXCEED THE EXTENT AND DURATION NECESSARY OR USEFUL TO
8 PROMOTE THE PUBLIC INTEREST. BEFORE BECOMING AN OWNER OR
9 PARTIAL OWNER OF AN ELIGIBLE FACILITY, THE AUTHORITY SHALL
10 DEVELOP A PLAN IDENTIFYING:

11 (I) THE PUBLIC PURPOSES OF THE AUTHORITY'S OWNERSHIP;

12 (II) THE CONDITIONS THAT WOULD MAKE THE AUTHORITY'S
13 OWNERSHIP NO LONGER NECESSARY FOR ACCOMPLISHING THOSE PUBLIC
14 PURPOSES; AND

15 (III) A PLAN TO DIVEST THE AUTHORITY OF OWNERSHIP OF THE
16 FACILITY AS SOON AS ECONOMICALLY PRUDENT ONCE THOSE CONDITIONS
17 OCCUR, WHICH MAY INCLUDE DIVESTMENT BEFORE THE LINE IS ENERGIZED.

18 (b) FOR ELIGIBLE FACILITIES THAT ARE LEASED TO ANOTHER
19 ENTITY BY THE AUTHORITY, AT THE END OF THE LEASE, ABSENT DEFAULT
20 BY THE LESSEE, THE AUTHORITY SHALL CONVEY ITS INTEREST IN THE
21 FACILITIES TO THE LESSEE AT A PRICE THAT REFLECTS THE CURRENT FAIR
22 MARKET VALUE.

23 (c) ELIGIBLE FACILITIES OWNED BY THE AUTHORITY ARE SUBJECT
24 TO THE REQUIREMENTS OF VALUATION AND TAXATION AS SET FORTH IN
25 ARTICLES 4 AND 5 OF TITLE 39.

26 (d) NEITHER THE AUTHORITY NOR ANY ENERGY ASSETS OWNED OR
27 CONTROLLED BY THE AUTHORITY OR ANY ELECTRIC UTILITY, OTHER THAN

1 MUNICIPAL UTILITIES OR POWER AUTHORITIES, PURSUANT TO THIS ARTICLE
2 42 ARE EXEMPT FROM PROPERTY TAXES.

3 (6) (a) AN ELECTRIC UTILITY THAT IS SUBJECT TO RATE
4 REGULATION BY THE COMMISSION MAY RECOVER THE CAPITAL COST OF A
5 PROJECT UNDERTAKEN PURSUANT TO THIS ARTICLE 42 FROM ITS RETAIL
6 CUSTOMERS ONLY IF THE PROJECT HAS RECEIVED A CERTIFICATE OF PUBLIC
7 CONVENIENCE AND NECESSITY FROM THE COMMISSION. AN ELECTRIC
8 UTILITY THAT IS A MUNICIPALLY OWNED UTILITY EXEMPT FROM
9 REGULATION BY THE COMMISSION MAY RECOVER SUCH COSTS ONLY IF THE
10 PROJECT HAS BEEN APPROVED BY THE GOVERNING BODY OF THE
11 MUNICIPALITY. A COOPERATIVE ELECTRIC ASSOCIATION EXEMPT FROM
12 REGULATION BY THE COMMISSION MAY RECOVER SUCH COSTS ONLY IF THE
13 PROJECT HAS BEEN APPROVED BY THE BOARD OF DIRECTORS OF THE
14 COOPERATIVE ELECTRIC ASSOCIATION.

15 (b) COSTS ASSOCIATED WITH A PROJECT UNDERTAKEN PURSUANT
16 TO THIS ARTICLE 42 ARE NOT RECOVERABLE FROM RETAIL UTILITY
17 CUSTOMERS EXCEPT TO THE EXTENT THE COSTS ARE PRUDENTLY
18 INCURRED AND THE PROJECT IS USED AND USEFUL IN SERVING THOSE
19 CUSTOMERS.

20 (7) THE AUTHORITY MAY SELL ANY OF ITS FACILITIES TO A
21 COLORADO ELECTRIC UTILITY.

22 (8) THE AUTHORITY MAY PETITION THE FERC FOR A
23 CLARIFICATION OF THE EXCLUSIVE OR CONCURRENT JURISDICTION OF THE
24 FERC OVER ANY MATTER CONSIDERED OR ACTION TAKEN BY THE
25 AUTHORITY UNDER THIS ARTICLE 42. THE GENERAL ASSEMBLY DECLARES
26 ITS INTENT THAT THE AUTHORITY AND THE COMMISSION BE ABLE TO
27 CARRY OUT THEIR POWERS AND DUTIES TO THE BROADEST EXTENT

1 POSSIBLE, CONSISTENT WITH PRINCIPLES OF FEDERALISM, TO ACHIEVE THE
2 GOALS AND EFFECTUATE THE PURPOSES OF THIS ARTICLE 42.

3 (9) NOTHING IN THIS SECTION WAIVES OR SUPERSEDES THE
4 APPLICATION OF SECTION 29-20-108 OR 40-5-101 (3) TO A PROJECT
5 PROPOSED OR DEVELOPED BY THE AUTHORITY.

6 **40-42-105. Electric transmission bonds - conditions of issuance**
7 **- electric transmission bonding fund creation - auditor examination**
8 **- payment from bonding fund - exemption from taxation.** (1) THE
9 AUTHORITY MAY ISSUE AND SELL ELECTRIC TRANSMISSION BONDS,
10 PAYABLE SOLELY FROM THE ELECTRIC TRANSMISSION BONDING FUND, IN
11 COMPLIANCE WITH THIS ARTICLE 42 FOR THE PURPOSE OF ENTERING INTO
12 A PROJECT WHEN THE AUTHORITY DETERMINES THAT THE PROJECT IS
13 NEEDED. THIS ARTICLE 42 IS, WITHOUT REFERENCE TO ANY OTHER LAW,
14 FULL AUTHORITY FOR THE ISSUANCE AND SALE OF BONDS. BONDS HAVE
15 ALL THE QUALITIES OF INVESTMENT SECURITIES UNDER THE "UNIFORM
16 COMMERCIAL CODE", TITLE 4, AND SHALL NOT BE DEEMED INVALID FOR
17 ANY IRREGULARITY OR DEFECT OR BE CONTESTABLE IN THE HANDS OF
18 BONA FIDE PURCHASERS OR HOLDERS OF THE BONDS FOR VALUE.

19 (2) (a) BONDS MAY BE EXECUTED AND DELIVERED BY THE
20 AUTHORITY AT SUCH TIMES; MAY BE IN SUCH FORM AND DENOMINATIONS
21 AND INCLUDE SUCH TERMS AND MATURITIES; MAY BE SUBJECT TO
22 OPTIONAL OR MANDATORY REDEMPTION PRIOR TO MATURITY WITH OR
23 WITHOUT A PREMIUM; MAY BE IN FULLY REGISTERED FORM OR BEARER
24 FORM REGISTRABLE AS TO PRINCIPAL OR INTEREST OR BOTH; MAY BEAR
25 SUCH CONVERSION PRIVILEGES; MAY BE PAYABLE IN SUCH INSTALLMENTS
26 AND AT SUCH TIMES NOT EXCEEDING THIRTY YEARS; MAY BE PAYABLE AT
27 SUCH PLACE OR PLACES WHETHER WITHIN OR WITHOUT THE STATE; MAY

1 BEAR INTEREST AT SUCH RATE OR RATES PER ANNUM, WHICH MAY BE
2 FIXED OR VARY ACCORDING TO INDEX, PROCEDURE, OR FORMULA OR AS
3 DETERMINED BY THE AUTHORITY OR ITS AGENTS, WITHOUT REGARD TO
4 ANY INTEREST RATE LIMITATION APPEARING IN ANY OTHER LAW OF THE
5 STATE; MAY BE SUBJECT TO PURCHASE AT THE OPTION OF THE HOLDER OR
6 THE AUTHORITY; MAY BE EVIDENCED IN SUCH MANNER; MAY BE EXECUTED
7 BY SUCH OFFICERS OF THE AUTHORITY, INCLUDING THE USE OF ONE OR
8 MORE FACSIMILE SIGNATURES SO LONG AS AT LEAST ONE MANUAL
9 SIGNATURE APPEARS ON THE BONDS, WHICH MAY BE EITHER OF AN OFFICER
10 OF THE AUTHORITY OR OF AN AGENT AUTHENTICATING THE SAME; MAY BE
11 IN THE FORM OF COUPON BONDS THAT HAVE ATTACHED INTEREST
12 COUPONS BEARING A MANUAL OR FACSIMILE SIGNATURE OF AN OFFICER OF
13 THE AUTHORITY; AND MAY CONTAIN SUCH PROVISIONS NOT INCONSISTENT
14 WITH THIS ARTICLE 42, ALL AS PROVIDED IN THE RESOLUTION OF THE
15 AUTHORITY UNDER WHICH THE BONDS ARE AUTHORIZED TO BE ISSUED OR
16 AS PROVIDED IN A TRUST INDENTURE BETWEEN THE AUTHORITY AND ANY
17 COMMERCIAL BANK OR TRUST COMPANY HAVING FULL TRUST POWERS.

18 (b) (I) BONDS MAY BE SOLD AT PUBLIC OR PRIVATE SALE AT SUCH
19 PRICE OR PRICES, IN SUCH MANNER, AND AT SUCH TIMES AS DETERMINED
20 BY THE BOARD, AND THE BOARD MAY PAY ALL FEES, EXPENSES, AND
21 COMMISSIONS THAT IT DEEMS NECESSARY OR ADVANTAGEOUS IN
22 CONNECTION WITH THE SALE OF BONDS.

23 (II) THE BOARD MAY DELEGATE TO AN OFFICER OR AGENT OF THE
24 BOARD THE POWER TO:

25 (A) FIX THE DATE OF SALE OF BONDS;

26 (B) RECEIVE BIDS OR PROPOSALS;

27 (C) AWARD AND SELL BONDS;

1 (D) FIX INTEREST RATES; AND

2 (E) TAKE ALL OTHER ACTION NECESSARY TO SELL AND DELIVER
3 BONDS.

4 (III) THE AUTHORITY MAY REFUND ANY OUTSTANDING BONDS
5 PURSUANT TO ARTICLE 56 OF TITLE 11.

6 (IV) ALL BONDS AND ANY INTEREST COUPONS APPLICABLE TO THE
7 BONDS ARE DECLARED TO BE NEGOTIABLE INSTRUMENTS.

8 (c) BONDS ARE EXEMPT FROM TAXATION BY THE STATE AND ANY
9 COUNTY, CITY AND COUNTY, MUNICIPALITY, OR OTHER POLITICAL
10 SUBDIVISION OF THE STATE.

11 (d) PUBLIC ENTITIES, AS DEFINED IN SECTION 24-75-601 (1), MAY
12 INVEST PUBLIC MONEY IN BONDS SO LONG AS THE BONDS SATISFY THE
13 INVESTMENT REQUIREMENTS ESTABLISHED IN PART 6 OF ARTICLE 75 OF
14 TITLE 24.

15 (e) NEITHER A MEMBER OF THE BOARD NOR AN EMPLOYEE OF THE
16 AUTHORITY NOR ANY PERSON EXECUTING BONDS IS LIABLE PERSONALLY
17 ON THE BONDS OR SUBJECT TO ANY PERSONAL LIABILITY BY REASON OF
18 THE ISSUANCE OF THE BONDS.

19 (3) (a) (I) THE ELECTRIC TRANSMISSION BONDING FUND IS
20 CREATED IN THE AUTHORITY. THE BONDING FUND CONSISTS OF:

21 (A) REVENUE RECEIVED BY THE AUTHORITY FROM OPERATING OR
22 LEASING ELIGIBLE FACILITIES;

23 (B) FEES AND SERVICE CHARGES COLLECTED;

24 (C) BOND PROCEEDS;

25 (D) MONEY FROM PAYMENTS OF PRINCIPAL AND INTEREST ON
26 LOANS IF THE AUTHORITY HAS PROVIDED FINANCING FOR ELIGIBLE
27 FACILITIES; AND

1 (E) ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND
2 INVESTMENT OF MONEY IN THE BONDING FUND.

3 (II) THE AUTHORITY MAY CREATE SEPARATE ACCOUNTS WITHIN
4 THE BONDING FUND IN CONNECTION WITH ANY ISSUANCE OF BONDS AND
5 MAY DEPOSIT IN THE SEPARATE ACCOUNTS REVENUE RECEIVED BY THE
6 AUTHORITY FROM THE FINANCING OR LEASING OF ELIGIBLE FACILITIES.
7 ANY SEPARATE ACCOUNT SHALL BE HELD BY A TRUSTEE ACTING UNDER A
8 TRUST INDENTURE RELATING TO THE BONDS CONNECTED TO THE
9 ACCOUNT. INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND
10 INVESTMENT OF MONEY IN A SEPARATE ACCOUNT SHALL BE CREDITED TO
11 THE ACCOUNT.

12 (III) BALANCES IN THE BONDING FUND AT THE END OF ANY STATE
13 FISCAL YEAR REMAIN IN THE BONDING FUND, EXCEPT AS OTHERWISE
14 PROVIDED IN THIS SECTION.

15 (b) (I) MONEY IN THE BONDING FUND SHALL BE DEPOSITED IN A
16 BANK DESIGNATED BY THE AUTHORITY IN AN ACCOUNT OR ACCOUNTS AS
17 THE AUTHORITY MAY ESTABLISH. MONEY IN ACCOUNTS SHALL BE
18 WITHDRAWN ON THE ORDER OF PERSONS THE AUTHORITY MAY AUTHORIZE.
19 ALL DEPOSITS OF MONEY SHALL BE SECURED IN SUCH MANNER AS THE
20 AUTHORITY MAY DETERMINE.

21 (II) ALL FUNDS AND ACTIVITIES OF THE AUTHORITY, INCLUDING ITS
22 RECEIPTS, DISBURSEMENTS, CONTRACTS, LEASES, FUNDS, INVESTMENTS,
23 AND ANY OTHER RECORDS AND PAPERS RELATING TO ITS FINANCIAL
24 STANDING, ARE SUBJECT TO ANNUAL AUDIT, AT THE AUTHORITY'S
25 EXPENSE, IN ACCORDANCE WITH SECTION 29-1-603.

26 (c) MONEY IN THE BONDING FUND IS PLEDGED FOR THE PAYMENT
27 OF PRINCIPAL AND INTEREST ON BONDS ISSUED PURSUANT TO THIS ARTICLE

1 42. MONEY IN ANY SEPARATE ACCOUNT MAY BE PLEDGED SOLELY TO
2 PAYMENT OF THE BONDS FOR WHICH THE SEPARATE ACCOUNT WAS
3 CREATED. THE AUTHORITY MAY EXPEND MONEY IN THE BONDING FUND OR
4 A SEPARATE ACCOUNT FOR THE PURPOSE OF PAYING DEBT SERVICE,
5 INCLUDING REDEMPTION PREMIUMS, ON BONDS AND EXPENSES INCURRED
6 IN THE ISSUANCE, PAYMENT, AND ADMINISTRATION OF THE BONDS.

7 (4) TWICE ANNUALLY THE AUTHORITY SHALL ESTIMATE THE
8 AMOUNTS NEEDED TO MAKE DEBT SERVICE AND OTHER PAYMENTS ON
9 BONDS DURING THE NEXT TWELVE MONTHS FROM THE BONDING FUND AND
10 FROM ANY SEPARATE ACCOUNT CREATED IN THE BONDING FUND PLUS THE
11 AMOUNT THAT MAY BE NEEDED FOR ANY REQUIRED RESERVES OR OTHER
12 REQUIREMENTS AS MAY BE SET FORTH IN THE TRUST INDENTURE RELATED
13 TO THE BONDS. THE AUTHORITY SHALL TRANSFER TO THE ELECTRIC
14 TRANSMISSION AUTHORITY OPERATIONAL FUND ANY BALANCE IN THE
15 BONDING FUND OR ANY SEPARATE ACCOUNT CREATED IN THE BONDING
16 FUND ABOVE THE ESTIMATED AMOUNTS. PAYMENTS FOR ADMINISTRATIVE
17 COSTS SHALL BE DEPOSITED IN THE OPERATIONAL FUND.

18 (5) BONDS ARE PAYABLE SOLELY FROM THE BONDING FUND OR
19 FROM ANY SEPARATE ACCOUNT CREATED WITHIN THE BONDING FUND OR,
20 WITH THE APPROVAL OF THE BONDHOLDERS, SUCH OTHER SPECIAL FUNDS
21 AS MAY BE PROVIDED BY LAW, AND THE BONDS DO NOT CREATE AN
22 OBLIGATION OR INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF
23 ANY CONSTITUTIONAL PROVISION OR LAW. A BREACH OF A CONTRACTUAL
24 OBLIGATION INCURRED PURSUANT TO THIS ARTICLE 42 DOES NOT IMPOSE
25 A PECUNIARY LIABILITY OR A CHARGE UPON THE GENERAL CREDIT OR
26 TAXING POWER OF THE STATE.

27 (6) THE STATE PLEDGES THAT THE BONDING FUND, INCLUDING ANY

1 SEPARATE ACCOUNT WITHIN THE BONDING FUND, SHALL BE USED ONLY
2 FOR THE PURPOSES SPECIFIED IN THIS SECTION AND IS PLEDGED FIRST TO
3 REPAY BONDS ISSUED PURSUANT TO THIS ARTICLE 42. THE STATE FURTHER
4 PLEDGES THAT ANY LAW REQUIRING THE DEPOSIT OF REVENUE IN THE
5 BONDING FUND OR AUTHORIZING EXPENDITURES FROM THE BONDING FUND
6 SHALL NOT BE AMENDED OR REPEALED OR OTHERWISE MODIFIED SO AS TO
7 IMPAIR THE BONDS TO WHICH THE BONDING FUND IS DEDICATED AS
8 PROVIDED IN THIS SECTION.

9 **40-42-106. Electric transmission authority operational fund -**
10 **creation.** THE ELECTRIC TRANSMISSION AUTHORITY OPERATIONAL FUND
11 IS CREATED IN THE AUTHORITY. THE OPERATIONAL FUND CONSISTS OF
12 MONEY TRANSFERRED TO THE OPERATIONAL FUND PURSUANT TO SECTION
13 40-42-105 (4), ANY OTHER MONEY THAT THE AUTHORITY MAY TRANSFER
14 TO THE OPERATIONAL FUND, AND INTEREST AND INCOME DERIVED FROM
15 THE DEPOSIT AND INVESTMENT OF MONEY IN THE OPERATIONAL FUND. THE
16 AUTHORITY MAY EXPEND MONEY FROM THE OPERATIONAL FUND FOR THE
17 PURPOSE OF CARRYING OUT THIS ARTICLE 42, AND THE AUTHORITY MAY
18 ESTABLISH PROCEDURES TO ADMINISTER THE OPERATIONAL FUND IN
19 ACCORDANCE WITH THIS ARTICLE 42 AND ANY OTHER APPLICABLE
20 PROVISION OF STATE LAW.

21 **40-42-107. Labor standards - apprenticeship - supervision.**
22 (1) THE AUTHORITY SHALL ENSURE THAT, IN ANY CONSTRUCTION,
23 EXPANSION, OR MAINTENANCE OF FACILITIES UNDERTAKEN IN COLORADO
24 PURSUANT TO THIS ARTICLE 42, ALL LABOR IS PERFORMED EITHER BY THE
25 EMPLOYEES OF AN ELECTRIC UTILITY OR BY QUALIFIED CONTRACTORS, OR
26 BOTH, AND THAT, EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF
27 THIS SECTION, AN ELECTRIC UTILITY NOT USE A CONTRACTOR UNLESS:

1 (a) THE CONTRACTOR IS CHOSEN FROM A LIST OF QUALIFIED
2 CONTRACTORS PREPARED AND UPDATED, AT LEAST ANNUALLY, BY THE
3 DEPARTMENT OF LABOR AND EMPLOYMENT; AND

4 (b) THE CONTRACTOR'S EMPLOYEES HAVE ACCESS TO AN
5 APPRENTICESHIP PROGRAM REGISTERED WITH THE UNITED STATES
6 DEPARTMENT OF LABOR'S OFFICE OF APPRENTICESHIP OR BY A STATE
7 APPRENTICESHIP COUNCIL RECOGNIZED BY THAT OFFICE AND MEETING THE
8 ADDITIONAL CRITERIA SPECIFIED IN SUBSECTION (2) OF THIS SECTION;
9 EXCEPT THAT THIS APPRENTICESHIP REQUIREMENT DOES NOT APPLY TO:

- 10 (I) THE DESIGN, PLANNING, OR ENGINEERING OF THE FACILITIES;
- 11 (II) MANAGEMENT FUNCTIONS TO OPERATE THE FACILITIES; OR
- 12 (III) ANY WORK PERFORMED IN RESPONSE TO A WARRANTY CLAIM.

13 (2) TO QUALIFY PURSUANT TO SUBSECTION (1) OF THIS SECTION,
14 AN APPRENTICESHIP PROGRAM MUST CERTIFY TO THE ENTITY
15 COMMISSIONING THE WORK THAT:

16 (a) ITS CURRICULUM INCLUDES REQUIREMENTS FOR COMPLETION
17 OF:

18 (I) AT LEAST SEVEN THOUSAND HOURS OF ON-THE-JOB TRAINING
19 TO ACHIEVE JOURNEYMEN LINEMAN STATUS, WITH AT LEAST SIX HUNDRED
20 FIFTY OF THOSE HOURS SPENT WORKING ON ENERGIZED POWER LINES AT
21 VOLTAGES OF AT LEAST SIX HUNDRED VOLTS; AND

22 (II) A CLASS IN ELECTRIC TRANSMISSION AND DISTRIBUTION
23 OFFERED BY THE FEDERAL OCCUPATIONAL SAFETY AND HEALTH
24 ADMINISTRATION AND COMPRISING CONTENT SUBSTANTIALLY
25 EQUIVALENT TO THAT OF THE "OSHA 10" CLASS OFFERED DURING
26 CALENDAR YEAR 2021; AND

27 (b) SUPERVISION OF APPRENTICES MEETS THE FOLLOWING

1 STANDARDS:

2 (I) APPRENTICES MUST WORK UNDER THE SUPERVISION OF A
3 JOURNEYMAN LINEMAN AT ALL TIMES;

4 (II) THE RATIO OF APPRENTICES TO JOURNEYMAN LINEMEN DOES
5 NOT EXCEED FOUR TO ONE WHEN WORKING ON A TRANSMISSION LINE OR
6 OTHER EQUIPMENT THAT IS NOT ENERGIZED; AND

7 (III) THE RATIO OF APPRENTICES TO JOURNEYMAN LINEMEN DOES
8 NOT EXCEED TWO TO ONE WHEN WORKING ON A TRANSMISSION LINE OR
9 OTHER EQUIPMENT THAT IS ENERGIZED.

10 (3) THE REQUEST FOR PROPOSAL FOR ANY CONTRACT WORK ON
11 FACILITIES SUBJECT TO THIS SECTION MUST BE SUBMITTED TO THE LIST OF
12 QUALIFIED CONTRACTORS DESCRIBED IN SUBSECTION (1)(a) OF THIS
13 SECTION FOR AT LEAST SIXTY DAYS. IF NONE OF THE CONTRACTORS ON THE
14 LIST SUBMITS A QUALIFYING BID WITHIN SIXTY DAYS, THEN THE ENTITY
15 PROCURING THE WORK MAY SOLICIT BIDS FROM CONTRACTORS WHO ARE
16 NOT ON THE LIST BUT OTHERWISE QUALIFY UNDER THE TERMS OF THE
17 REQUEST FOR PROPOSAL SO LONG AS THOSE TERMS INCLUDE COMPLIANCE
18 WITH ALL APPLICABLE LAWS AND REGULATIONS RELATED TO SAFETY.

19 **40-42-108. Report to general assembly.** COMMENCING IN 2022,
20 THE AUTHORITY SHALL SUBMIT A REPORT OF ITS ACTIVITIES TO THE
21 ENERGY AND ENVIRONMENT COMMITTEE OF THE HOUSE OF
22 REPRESENTATIVES AND THE TRANSPORTATION AND ENERGY COMMITTEE
23 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, NOT LATER THAN
24 DECEMBER 1 OF EACH YEAR. THE REPORT SHALL SET FORTH A COMPLETE
25 OPERATING AND FINANCIAL STATEMENT COVERING THE OPERATIONS OF
26 THE AUTHORITY FOR THE PREVIOUS STATE FISCAL YEAR.
27 NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT TO

1 SUBMIT THE REPORT CONTINUES INDEFINITELY.

2 **SECTION 5.** In Colorado Revised Statutes, **add 2-3-126** as
3 follows:

4 **2-3-126. Performance audits of Colorado electric transmission**
5 **authority.** AT THE DISCRETION OF THE LEGISLATIVE AUDIT COMMITTEE,
6 THE STATE AUDITOR SHALL CONDUCT OR CAUSE TO BE CONDUCTED A
7 PERFORMANCE AUDIT OF THE COLORADO ELECTRIC TRANSMISSION
8 AUTHORITY CREATED IN ARTICLE 42 OF TITLE 40. THE STATE AUDITOR
9 SHALL PREPARE A REPORT AND RECOMMENDATIONS ON EACH AUDIT
10 CONDUCTED AND SHALL PRESENT THE REPORT AND RECOMMENDATIONS
11 TO THE COMMITTEE. THE STATE AUDITOR SHALL PAY THE COSTS OF ANY
12 AUDIT CONDUCTED PURSUANT TO THIS SECTION.

13 **SECTION 6.** In Colorado Revised Statutes, 24-65.1-501, **add**
14 (2)(d) as follows:

15 **24-65.1-501. Permit for development in area of state interest**
16 **or to conduct an activity of state interest required.** (2) (d) IF THE
17 DEVELOPMENT OR ACTIVITY INVOLVES THE CONSTRUCTION OR EXPANSION
18 OF TRANSMISSION FACILITIES FOR WHICH THE APPLICANT HAS SOUGHT A
19 CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY FROM THE PUBLIC
20 UTILITIES COMMISSION PURSUANT TO SECTION 40-2-126, THE LOCAL
21 GOVERNMENT SHALL APPROVE OR DENY ISSUANCE OF THE PERMIT WITHIN
22 ONE HUNDRED EIGHTY DAYS AFTER THE APPLICATION IS DEEMED
23 COMPLETE AND PUBLIC NOTICE OF THE APPLICATION IS GIVEN. IF THE
24 LOCAL GOVERNMENT DOES NOT DENY ISSUANCE OF THE PERMIT WITHIN
25 THAT PERIOD, THE APPLICATION IS DEEMED APPROVED.

26 **SECTION 7.** In Colorado Revised Statutes, 24-77-102, **amend**
27 the introductory portion; and **add (15)(b)(XIX)** as follows:

1 **24-77-102. Definitions.** As used in this ~~article~~ ARTICLE 77, unless
2 the context otherwise requires:

3 (15)(b) "Special purpose authority" includes, but is not limited to:
4 (XIX) THE COLORADO ELECTRIC TRANSMISSION AUTHORITY
5 CREATED IN SECTION 40-42-103 (1).

6 **SECTION 8.** In Colorado Revised Statutes, 38-1-202, amend
7 (1)(f) introductory portion, (1)(f)(XXXIX), and (1)(f)(XL); and add
8 (1)(f)(XLI) as follows:

9 **38-1-202. Governmental entities, corporations, and persons**
10 **authorized to use eminent domain.** (1) The following governmental
11 entities, types of governmental entities, and public corporations, in
12 accordance with all procedural and other requirements specified in this
13 article 1 and articles 2 to 7 of this title 38 and to the extent and within any
14 time frame specified in the applicable authorizing statute, may exercise
15 the power of eminent domain:

16 (f) The following types of single purpose districts, special
17 districts, authorities, boards, commissions, and other governmental
18 entities that serve limited governmental purposes or that may exercise
19 eminent domain for limited purposes: ~~on behalf of a county, city and~~
20 county, city, or town:

21 (XXXIX) A regional transportation authority created pursuant to
22 section 43-4-603 C.R.S., as authorized in section 43-4-604 (1)(a)(IV);
23 C.R.S.; and

24 (XL) The Colorado aeronautical board created in section
25 43-10-104 C.R.S., as authorized in section 43-10-106 (1); C.R.S. AND

26 (XLI) THE COLORADO ELECTRIC TRANSMISSION AUTHORITY
27 CREATED IN SECTION 40-42-103 (1) AS AUTHORIZED IN SECTION 40-42-104

1 (1)(p).

2 SECTION 9. In Colorado Revised Statutes, 38-5-104, amend (1)
3 as follows:

4 38-5-104. Right-of-way across private lands. (1) Such A
5 telegraph, telephone, electric light, power, gas, or pipeline company, AN
6 ELECTRIC TRANSMISSION AUTHORITY, or ~~such~~ A city or town shall be IS
7 entitled to the right-of-way over or under the land, property, privileges,
8 rights-of-way, and easements of other persons and corporations and to the
9 right to erect its poles, wires, pipes, regulator stations, substations,
10 systems, and offices upon making just compensation therefor in the
11 manner provided by law. WHEN A RIGHT-OF-WAY IS TAKEN UNDER THIS
12 SECTION FOR AN INTERSTATE ELECTRIC TRANSMISSION LINE, THE COURT
13 SHALLEVALUATE PUBLIC PURPOSE IN LIGHT OF THE TRANSMISSION SYSTEM
14 AS A WHOLE, INCLUDING PUBLIC USE AND BENEFITS OCCURRING EITHER
15 WITHIN COLORADO OR AT A REGIONAL LEVEL. The rights granted by this
16 section and section 38-5-105 to such electric light, power, gas, or pipeline
17 companies or to such cities and towns shall not extend to the taking of
18 any portion of the right-of-way of a railroad company, except to the
19 extent of acquiring any necessary easement to cross the same or to serve
20 such railroad company with electric light, power, or gas service. The
21 rights granted by this section and section 38-5-105 to telegraph or
22 telephone companies shall not extend to the taking of any portion of the
23 right-of-way of a railroad company, except to the extent of acquiring any
24 easement which does not materially interfere with the existing use by the
25 railroad company, or except to the extent of acquiring any necessary
26 easement to cross the same or to serve such railroad company with
27 telegraph or telephone service.

1 **SECTION 10.** In Colorado Revised Statutes, 40-2-114, amend
2 (2) as follows:

3 **40-2-114. Disposition of fees collected - telecommunications**
4 **utility fund - fixed utility fund.** (2) (a) Moneys MONEY in the funds
5 created in subsection (1) of this section shall be expended only to defray
6 the full amount determined by the general assembly for:

7 (I) The administrative expenses of the commission for the
8 supervision and regulation of the public utilities paying the fees; and for

9 (II) The financing of the office of consumer counsel created in
10 article 6.5 of this title TITLE 40; AND

11 (III) WITH REGARD ONLY TO EXPENDITURES FROM THE PUBLIC
12 UTILITIES COMMISSION FIXED UTILITY FUND CREATED IN SUBSECTION
13 (1)(b) OF THIS SECTION, THE ADMINISTRATIVE EXPENSES, NOT TO EXCEED
14 FIVE HUNDRED THOUSAND DOLLARS ANNUALLY, INCURRED BY THE
15 COLORADO ELECTRIC TRANSMISSION AUTHORITY IN CARRYING OUT ITS
16 DUTIES UNDER ARTICLE 42 OF THIS TITLE 40. THE COLORADO ELECTRIC
17 TRANSMISSION AUTHORITY SHALL REMIT TO THE FIXED UTILITY FUND ANY
18 AMOUNTS IT RECEIVES IN EXCESS OF ITS ACTUAL ADMINISTRATIVE
19 EXPENSES PLUS A FIFTEEN PERCENT RESERVE MARGIN.

20 (b) The state treasurer shall retain any unexpended balance
21 remaining in either fund at the end of any fiscal year to defray the
22 administrative expenses of the commission during subsequent fiscal
23 years, and the executive director of the department of revenue shall take
24 any such unexpended balance into account when computing the
25 percentage upon which fees for the ensuing fiscal year will be based.

26 **SECTION 11. Applicability.** This act applies to conduct
27 occurring on or after the effective date of this act.

1 **SECTION 12. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety.