

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 21-0061.01 Duane Gall x4335

HOUSE BILL 21-1269

HOUSE SPONSORSHIP

Hooton and Boesenecker,

SENATE SPONSORSHIP

Donovan,

House Committees

Energy & Environment
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INVESTIGATION BY THE PUBLIC UTILITIES**
102 **COMMISSION TO EVALUATE THE PARAMETERS OF AN ENERGY**
103 **POLICY ALLOWING COMMUNITIES IN COLORADO THAT ARE**
104 **SERVED BY AN INVESTOR-OWNED ELECTRIC UTILITY TO CHOOSE**
105 **ALTERNATIVE WHOLESALE ELECTRICITY SUPPLIERS, AND, IN**
106 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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>.)

The bill concerns the concept of "community choice energy"

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
Amended 2nd Reading
May 20, 2021

(CCE), under which a community, or group of communities, may choose to purchase their electricity from a wholesale supplier other than the local investor-owned electric utility. The bill declares that CCE has the potential to enable communities to meet their renewable energy goals and to reduce their electricity rates by allowing wholesale competition and local control over the energy supplier and energy mix without changing the local utility's current status as sole supplier of electric transmission, distribution, billing, and customer service functions.

To lay the groundwork for evaluating the potential adoption of CCE in Colorado, the bill proposes an investigatory proceeding at the public utilities commission that would invite testimony and documentation from interested stakeholders, utilities, the public, invited subject-matter experts, and persons with firsthand knowledge of CCE operations, including regulators from states in which CCE has been implemented. The proceeding would address a series of questions and topics that are specified in the bill, with the goal of better understanding CCE in the Colorado context and identifying best practices that would allow CCE to function well in Colorado if adopted. The bill does not change current statutes and regulations governing the electricity system.

The bill directs the commission to submit a report summarizing the investigatory proceeding to the legislative committees with jurisdiction over energy matters by December 15, 2022.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 40-4-120 as
3 follows:

4 **40-4-120. Study of community choice in wholesale electric**
5 **supply - duties of commission - report - legislative declaration -**
6 **definition - repeal. (1) Legislative declaration. (a) THE GENERAL**
7 **ASSEMBLY FINDS AND DETERMINES THAT:**

8 **(I)** FOURTEEN COMMUNITIES IN COLORADO, KNOWN AS THE
9 "READY FOR 100" COMMUNITIES, HAVE COMMITTED TO OBTAINING ONE
10 HUNDRED PERCENT RENEWABLE ENERGY BY 2025 TO 2035. IN ADDITION,
11 THIRTY-FIVE COMMUNITIES, KNOWN AS "COLORADO COMMUNITIES FOR
12 CLIMATE ACTION", HAVE ORGANIZED TO ADVOCATE FOR STRONGER
13 CLIMATE CHANGE POLICIES. THESE COMMUNITIES, WHICH REPRESENT

1 MORE THAN ONE MILLION COLORADANS, ARE EXPLORING WAYS TO REACH
2 THEIR ENERGY AND CLIMATE GOALS WITHIN THEIR DESIRED TIME PERIODS.

3 (II) A KEY ELEMENT OF THE GOVERNOR'S POLICY INITIATIVE,
4 ENTITLED "ROADMAP TO 100% RENEWABLE ENERGY BY 2040 AND BOLD
5 CLIMATE ACTION", PRIORITIZES SUPPORTING LOCAL COMMITMENTS TO
6 ONE HUNDRED PERCENT RENEWABLE ENERGY.

7 (III) THE ABILITY OF A COMMUNITY TO ACHIEVE ITS ENERGY
8 GOALS IS CURRENTLY LIMITED BY THE ENERGY SUPPLY AND THE
9 DECARBONIZATION TIMELINE OF THE ELECTRIC UTILITY THAT SERVES THAT
10 COMMUNITY'S GEOGRAPHIC AREA. THE ABILITY TO PROCURE ELECTRICITY
11 FROM ALTERNATIVE WHOLESALE SUPPLIERS MAY ENABLE COMMUNITIES
12 TO ACHIEVE THEIR ENERGY GOALS FASTER AND MORE COST-EFFECTIVELY.

13 (IV) COMMUNITY CHOICE ENERGY OR CCE, ALSO COMMONLY
14 KNOWN AS COMMUNITY CHOICE AGGREGATION OR CCA, IS A LOCAL
15 ENERGY MODEL THAT A NUMBER OF STATES HAVE ADOPTED AND THAT HAS
16 PROVEN TO BE EFFECTIVE IN HELPING COMMUNITIES ACHIEVE THEIR
17 RENEWABLE ENERGY GOALS, COST-CONTAINMENT GOALS, OR BOTH. A
18 ROBUST STUDY OF CCE WOULD ANSWER KEY QUESTIONS AND ILLUMINATE
19 THE POSSIBLE BENEFITS AND CHALLENGES OF ADAPTING THE CCE MODEL
20 AS AN OPTION FOR COLORADO COMMUNITIES.

21 (V) IN THE CCE MODEL, COMMUNITIES THAT ARE SERVED BY AN
22 INVESTOR-OWNED ELECTRIC UTILITY MAY CHOOSE THEIR WHOLESALE
23 ELECTRICITY SUPPLIERS, WHILE THE ELECTRICITY CONTINUES TO BE
24 DELIVERED BY THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY. IN
25 STATES THAT HAVE ENABLED CCE TO DATE, CCE IS NOT PERMITTED IN
26 COMMUNITIES THAT ARE SERVED BY A COOPERATIVE ELECTRIC
27 ASSOCIATION OR A MUNICIPALLY OWNED ELECTRIC UTILITY.

1 (VI) IN THE CCE MODEL, AN INVESTOR-OWNED ELECTRIC UTILITY
2 CONTINUES TO OWN AND OPERATE ITS TRANSMISSION AND DISTRIBUTION
3 SYSTEM TO SERVE BOTH CCE CUSTOMERS AND ITS OWN CUSTOMERS, AND
4 THE UTILITY CONTINUES TO PROVIDE METERING AND BILLING SERVICES,
5 MANAGE CUSTOMER SERVICE, AND IMPLEMENT DEMAND-SIDE
6 MANAGEMENT PROGRAMS. THE UTILITY CONTINUES TO OWN AND OPERATE
7 ITS POWER GENERATION ASSETS TO SERVE ITS OWN CUSTOMERS. IF A
8 COMMUNITY CHOOSES TO ADOPT CCE, THE UTILITY WOULD DELIVER THE
9 ELECTRICITY, WITH APPROPRIATE COMPENSATION, FROM ONE OR MORE
10 ALTERNATIVE SUPPLIERS TO CCE CUSTOMERS.

11 (VII) THIS SECTION CONCERNS THE "WHOLESALE, OPT-OUT"
12 MODEL OF CCE, PURSUANT TO WHICH INDIVIDUAL CUSTOMERS ARE
13 AUTOMATICALLY ENROLLED IN AND RETAIN THE RIGHT TO OPT OUT OF
14 THEIR COMMUNITY'S CCE OFFERINGS AND PURCHASE THEIR ELECTRICITY
15 FROM THE UTILITY UNDER ITS TRADITIONAL BUNDLED SERVICE. BY
16 CONTRAST, THE RETAIL MODEL OF CCE, IN WHICH INDIVIDUALS IN
17 DEREGULATED RETAIL CHOICE STATES CAN SHOP FOR THEIR ELECTRICITY
18 FROM AMONG MANY COMPETING SUPPLIERS, DOES NOT PROMOTE THE
19 STABLE REVENUE CONDITIONS NEEDED FOR DEVELOPMENT OF HIGH
20 LEVELS OF RENEWABLE ENERGY. THE RETAIL CCE MODEL IS EXPLICITLY
21 NOT THE SUBJECT OF THIS SECTION.

22 (VIII) A WELL-DESIGNED WHOLESALE, OPT-OUT CCE PROGRAM
23 WOULD INTRODUCE AN ELEMENT OF WHOLESALE COMPETITION AND
24 COMMUNITY-LEVEL CHOICE INTO THE SUPPLY OF ELECTRICITY AND COULD
25 PROVIDE COMMUNITIES THAT HAVE AMBITIOUS RENEWABLE ENERGY
26 GOALS, COST-CONTAINMENT GOALS, OR BOTH, WITH A MEANS TO REACH
27 THOSE GOALS MORE QUICKLY AND COST-EFFECTIVELY.

1 (IX) THIS SECTION PERTAINS ONLY TO THE STUDY OF CCE, NOT TO
2 ITS IMPLEMENTATION. WHILE CCE IN OTHER STATES SHOWS THE
3 POTENTIAL FOR COMMUNITIES TO MAKE LOCAL ENERGY DECISIONS, REACH
4 THEIR ENERGY GOALS, REDUCE ENERGY COSTS, AND FOSTER LOCAL
5 ECONOMIC DEVELOPMENT AND LOCAL EMPLOYMENT, IT IS PRUDENT TO
6 FIRST STUDY THE FEASIBILITY AND THE REGULATORY, LEGAL, AND
7 ENVIRONMENTAL IMPLICATIONS OF CCE IN COLORADO BEFORE
8 CONSIDERING THE IMPLEMENTATION OF CCE AS AN OPTION FOR
9 COMMUNITIES IN COLORADO THAT ARE SERVED BY AN INVESTOR-OWNED
10 ELECTRIC UTILITY.

11 (X) THE STUDY OF CCE AS DESCRIBED IN THIS SECTION WILL
12 ANSWER KEY QUESTIONS ABOUT THE POTENTIAL VIABILITY OF CCE IN
13 COLORADO AND WILL IDENTIFY BEST PRACTICES AND LESSONS LEARNED
14 FROM THE EXPERIENCES OF STATES THAT HAVE ALREADY IMPLEMENTED
15 CCE. THE STUDY WILL PROVIDE THE INFORMATION NEEDED TO DETERMINE
16 WHETHER CCE COULD PROVIDE NET BENEFITS TO COLORADO
17 COMMUNITIES.

18 (XI) CCE, IF ENABLED IN COLORADO IN THE FUTURE, COULD
19 PROMOTE A MORE VIBRANT AND COMPETITIVE WHOLESALE ELECTRICITY
20 MARKET AND COULD ENHANCE EFFORTS TO FORM OR JOIN A REGIONAL
21 TRANSMISSION ORGANIZATION, WHICH COULD INCREASE THE FOOTPRINT
22 OF ENERGY TRADING IN THE WEST AND THEREBY REDUCE COSTS THROUGH
23 MARKET EFFICIENCY, LOWER REQUIRED RESERVE CAPACITIES, INCREASED
24 INTEGRATION OF COST-EFFECTIVE RENEWABLE ENERGY, AND DECREASED
25 CURTAILMENT OF EXCESS RENEWABLE ENERGY. A REGIONAL
26 TRANSMISSION ORGANIZATION COULD ALSO POTENTIALLY BENEFIT
27 COOPERATIVE ELECTRIC ASSOCIATIONS AND MUNICIPAL ELECTRIC

1 UTILITIES.

2 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS IN
3 THE PUBLIC INTEREST TO DIRECT THE COMMISSION TO EVALUATE THE
4 VIABILITY OF THE WHOLESALE, OPT-OUT MODEL OF CCE IN COLORADO
5 AND TO ANSWER KEY QUESTIONS ABOUT CCE IN COLORADO BY
6 CONDUCTING AN INVESTIGATORY DOCKET THAT CONSIDERS AT LEAST THE
7 TOPICS OUTLINED IN SUBSECTION (3) OF THIS SECTION.

8 (2) **Definition.** AS USED IN THIS SECTION, "COMMUNITY CHOICE
9 ENERGY" OR "CCE" MEANS A MECHANISM THAT ALLOWS CITIES,
10 INCLUDING A CITY AND COUNTY, COUNTIES, OR GROUPS OF CITIES AND
11 COUNTIES TO COMBINE THEIR PURCHASING POWER AND CHOOSE ONE OR
12 MORE ALTERNATIVE WHOLESALE ELECTRICITY SUPPLIERS ON BEHALF OF
13 THE RESIDENTS, BUSINESSES, AND MUNICIPAL FACILITIES IN THE
14 JURISDICTION WHILE THE INCUMBENT INVESTOR-OWNED ELECTRIC UTILITY
15 MAINTAINS ITS EXISTING GENERATION AND CONTINUES TO OWN AND
16 OPERATE ITS TRANSMISSION AND DISTRIBUTION SYSTEM AND DELIVER THE
17 ELECTRICITY TO BOTH ITS OWN CUSTOMERS AND CCE CUSTOMERS.

18 (3) **Investigatory docket.** (a) ON OR BEFORE JANUARY 15, 2022,
19 AND IN ACCORDANCE WITH THIS SUBSECTION (3), THE COMMISSION SHALL
20 OPEN AN INVESTIGATORY DOCKET TO ACCEPT TESTIMONY AND
21 DOCUMENTATION FROM STAKEHOLDERS, INDEPENDENT ENERGY AND
22 UTILITY EXPERTS, REGULATORS FROM STATES IN WHICH CCE HAS BEEN
23 IMPLEMENTED OR IS UNDER CONSIDERATION, REPRESENTATIVES OF
24 OPERATIONAL CCE AUTHORITIES, AND OTHER INTERESTED PARTIES. THE
25 GOAL OF THE PROCEEDING IS TO CONSIDER THE REGULATORY
26 IMPLICATIONS AND LEGAL IMPACTS OF POSSIBLE FUTURE CCE-ENABLING
27 LEGISLATION AND PROVIDE RECOMMENDATIONS TO THE GENERAL

1 ASSEMBLY. CONCLUSIONS SHOULD INCLUDE BEST PRACTICES AND LESSONS
2 LEARNED FROM STATES THAT HAVE ENABLED CCE AT THE WHOLESALE
3 LEVEL. THE COMMISSION SHALL EMPLOY PROCEDURES THAT PROMOTE A
4 PRODUCTIVE, EFFECTIVE, AND EVIDENCE-BASED PROCESS, INCLUDING ONE
5 OR MORE COMMISSIONERS' INFORMATIONAL MEETINGS WITH
6 PRESENTATIONS BY SUBJECT-MATTER EXPERTS.

7 (b) THE COMMISSION SHALL SOLICIT INPUT FROM A BROAD AND
8 INCLUSIVE RANGE OF STAKEHOLDERS AND PRESENTERS TO ENSURE THAT
9 THE PROCESS IS NOT DOMINATED BY ANY ONE GROUP OR VIEWPOINT.
10 STAKEHOLDERS AND PRESENTERS MAY INCLUDE:

11 (I) LOCAL GOVERNMENTS WITH DECLARED GOALS REGARDING
12 CARBON EMISSIONS OR ENERGY SUPPLY CHOICES;

13 (II) BUSINESS GROUPS;

14 (III) ENVIRONMENTAL ADVOCATES;

15 (IV) CONSUMER ADVOCATES;

16 (V) ELECTRIC UTILITIES, INCLUDING INVESTOR-OWNED ELECTRIC
17 UTILITIES, MUNICIPALLY OWNED ELECTRIC UTILITIES, AND COOPERATIVE
18 ELECTRIC ASSOCIATIONS;

19 (VI) INDEPENDENT POWER PRODUCERS;

20 (VII) POWER MARKETERS;

21 (VIII) RENEWABLE ENERGY DEVELOPERS;

22 (IX) CONSULTANTS OR OTHER EXPERTS IN ENERGY PROJECT
23 FINANCING;

24 (X) CONSULTANTS OR OTHER EXPERTS IN ENERGY EFFICIENCY AND
25 DISTRIBUTED ENERGY RESOURCES;

26 (XI) REPRESENTATIVES OF OPERATIONAL CCE AUTHORITIES THAT
27 USE THE WHOLESALE CCE MODEL; AND

1 (XII) MEMBERS OF THE GENERAL PUBLIC.

2 (c) THE TOPICS AND QUESTIONS TO BE EXPLORED IN THE DOCKET
3 SHALL INCLUDE:

4 (I) WHETHER THE COMMISSION WOULD REQUIRE ADDITIONAL
5 STATUTORY AUTHORITY TO CONDUCT A RULE-MAKING PROCEEDING
6 CONCERNING THE CREATION OF CCE AUTHORITIES IN COLORADO; EXCEPT
7 THAT THE COMMISSION'S DETERMINATION THAT ADDITIONAL STATUTORY
8 AUTHORITY IS NOT REQUIRED DOES NOT PRECLUDE THE GENERAL
9 ASSEMBLY FROM INCREASING OR AMENDING THE COMMISSION'S
10 STATUTORY AUTHORITY;

11 (II) THE APPROPRIATE SCOPE OF REGULATORY OVERSIGHT OF CCE
12 OPERATIONS, ON A SCALE RANGING FROM COMPREHENSIVE, AS WITH
13 INVESTOR-OWNED ELECTRIC UTILITIES, TO MINIMAL, AS WITH
14 MUNICIPALLY OWNED ELECTRIC UTILITIES;

15 (III) WHICH ASPECTS, IF ANY, OF CURRENT OR ANTICIPATED
16 INVESTOR-OWNED ELECTRIC UTILITY REGULATION BY THE COMMISSION
17 SHOULD APPLY TO CCE AUTHORITIES AS WELL, AND TO WHAT EXTENT,
18 INCLUDING REGULATION IN THE AREAS OF:

19 (A) RESOURCE ADEQUACY PLANNING;

20 (B) ASSURANCE OF RELIABILITY AND HOW THIS IS PAID FOR;

21 (C) COMPLIANCE WITH RENEWABLE ENERGY STANDARDS AND
22 EMISSIONS REDUCTION TARGETS;

23 (D) SUPPLEMENTAL DEMAND-SIDE MANAGEMENT PROGRAMS
24 OFFERED BY CCE AUTHORITIES;

25 (E) TIME-OF-USE RATES OR OTHER RATE REQUIREMENTS IF
26 MANDATED FOR INVESTOR-OWNED ELECTRIC UTILITIES; AND

27 (F) STANDARDS FOR REQUESTS FOR PROPOSALS;

1 (IV) THE APPROPRIATE PRINCIPLES AND CONSIDERATIONS FOR
2 CALCULATING THE AMOUNT AND DURATION OF REASONABLE TRANSITION
3 FEES, ALSO KNOWN AS EXIT FEES, THAT COMMUNITIES FORMING A CCE
4 AUTHORITY WOULD PAY TO THE INCUMBENT INVESTOR-OWNED ELECTRIC
5 UTILITY TO OFFSET THEIR FAIR SHARE OF THE COSTS OF UTILITY ASSETS
6 AND CONTRACTS THAT WERE PROCURED ON THEIR BEHALF AND
7 PREVIOUSLY APPROVED, IN AMOUNTS SUFFICIENT TO PROVIDE COST
8 RECOVERY FOR STRANDED INVESTOR-OWNED ELECTRIC UTILITY ASSETS
9 AND CONTRACTS AND DIRECT TRANSITION COSTS WHILE PROTECTING
10 NON-CCE CUSTOMERS BUT WITHOUT UNDULY BURDENING CCE
11 CUSTOMERS. THE PRINCIPLES AND CONSIDERATIONS SHALL INCLUDE:

12 (A) THE AGE OR THE DATE OF INITIAL SERVICE OF GENERATION
13 ASSETS AND EXISTING CONTRACTS;

14 (B) THE POTENTIAL FOR EXIT FEES TO VARY OVER TIME OR BY
15 LOCATION;

16 (C) THE ESTABLISHMENT OF A SPECIFIC EXPIRATION PERIOD FOR
17 EXIT FEES;

18 (D) MEASURES TO MITIGATE EXIT FEES THROUGH POTENTIAL
19 CONTRACT TRANSFER OR RESALE TO CCE AUTHORITIES OR OTHER BUYERS,
20 AND APPROPRIATE FORECASTING OF DEPARTING LOAD TO AVOID
21 OVER-PROCUREMENT; AND

22 (E) PITFALLS ENCOUNTERED IN OTHER STATES RELATED TO EXIT
23 FEES AND HOW THOSE PITFALLS COULD BE AVOIDED OR MITIGATED BY
24 UP-FRONT CONSIDERATION.

25 (V) THE APPROPRIATE CONDITIONS, LIMITATIONS, AND
26 PROCEDURES UNDER WHICH CUSTOMERS MAY OPT OUT OF CCE AND
27 RECEIVE BUNDLED SERVICE FROM THE INCUMBENT INVESTOR-OWNED

1 ELECTRIC UTILITY;

2 (VI) WHETHER ANY ADDITIONAL CONSUMER PROTECTIONS WOULD
3 BE REQUIRED AND THE MEANS OF PROVIDING THOSE PROTECTIONS;

4 (VII) POTENTIAL CHALLENGES FOR CCE START-UP OR CONTINUING
5 OPERATIONS, INCLUDING THE AVAILABILITY OF FINANCING AND CREDIT
6 RATING CONSIDERATIONS, AND STRATEGIES TO OVERCOME THOSE
7 CHALLENGES;

8 (VIII) WHAT REGULATORY AND LEGAL ISSUES HAVE ARISEN IN
9 OTHER STATES THAT HAVE ADOPTED THE WHOLESALE, OPT-OUT MODEL OF
10 CCE AND POSSIBLE SOLUTIONS FOR THOSE ISSUES;

11 (IX) WHETHER AN INVESTOR-OWNED ELECTRIC UTILITY THAT
12 REMAINS THE SOLE PROVIDER OF DISTRIBUTION, TRANSMISSION, AND
13 OTHER SERVICES TRADITIONALLY PROVIDED BY THE UTILITY, SUCH AS
14 METERING AND BILLING, SHOULD ALSO BE THE PROVIDER OF LAST RESORT
15 FOR SUPPLYING ELECTRICITY TO CUSTOMERS WHO OPT OUT OF CCE;

16 (X) THE APPROPRIATE PROCESS FOR APPROVAL OF CCE ON BEHALF
17 OF CUSTOMERS WITHIN A JURISDICTION, WHETHER BY ORDINANCE, BY
18 VOTE OF THE PEOPLE, OR OTHERWISE;

19 (XI) WHETHER CCE AUTHORITIES SHOULD BE ALLOWED TO OFFER
20 DEMAND-SIDE MANAGEMENT PROGRAMS THAT EITHER EXPAND UPON OR
21 REPLACE SUCH PROGRAMS OFFERED BY THE INCUMBENT INVESTOR-OWNED
22 ELECTRIC UTILITY;

23 (XII) REGULATORY AND POLICY CONSIDERATIONS RELATED TO
24 FORMING CCE AUTHORITIES IN A STATE THAT DOES NOT CURRENTLY
25 BELONG TO A REGIONAL TRANSMISSION ORGANIZATION OR PARTICIPATE
26 IN A WHOLESALE ELECTRICITY MARKET, AND POSSIBLE SOLUTIONS,
27 INCLUDING CONSIDERATIONS IN THE AREAS OF:

1 (A) WHETHER LEGISLATION SHOULD BE ADOPTED TO GUARANTEE
2 OPEN ACCESS AND FAIR PRICES FOR TRANSMISSION SERVICES;

3 (B) RECOMMENDATIONS FOR LEGISLATIVE OR ADMINISTRATIVE
4 MEASURES, OR BOTH, CONCERNING WHOLESALE MARKET ACCESS AND
5 DEVELOPMENT IN COLORADO; AND

6 (C) WHETHER OTHER LEGISLATIVE AND REGULATORY
7 MODIFICATIONS ARE NECESSARY TO SUCCESSFULLY IMPLEMENT CCE IN
8 COLORADO;

9 (XIII) WHAT, IF ANY, MINIMUM REQUIREMENTS AND STANDARDS
10 SHOULD APPLY TO INDEPENDENT POWER PRODUCERS AND POWER
11 MARKETERS WHO WISH TO SUPPLY ENERGY TO A CCE AUTHORITY;

12 (XIV) WHAT, IF ANY, DATA-SHARING REQUIREMENTS SHOULD BE
13 IMPOSED ON INVESTOR-OWNED ELECTRIC UTILITIES TO HELP ENSURE THAT
14 A CCE AUTHORITY OR A JURISDICTION INVESTIGATING WHETHER TO FORM
15 OR JOIN A CCE AUTHORITY CAN REASONABLY EVALUATE ITS FINANCIAL
16 AND TECHNICAL VIABILITY AND IMPLEMENT ITS CCE PROGRAM;

17 (XV) HOW CCE MIGHT FACILITATE OR IMPEDE:

18 (A) INCREASED INTEGRATION OF DISTRIBUTED ENERGY
19 RESOURCES, SUCH AS ROOFTOP SOLAR, COMMUNITY SOLAR, AND BATTERY
20 ENERGY STORAGE INTO DISTRIBUTION SYSTEMS; ■

21 (B) INCREASED INVESTMENT IN BENEFICIAL ELECTRIFICATION,
22 INCLUDING ELECTRIFICATION OF TRANSPORT; AND

23 (C) RESOURCE ADEQUACY AND RELIABILITY, AND WHAT
24 REGULATORY APPROACHES WOULD BE NEEDED TO MAXIMIZE POSITIVE
25 IMPACTS AND MITIGATE NEGATIVE IMPACTS;

26 (XVI) THE APPROPRIATE CONSIDERATIONS FOR ENSURING THAT
27 THE IMPLEMENTATION OF CCE DOES NOT INCLUDE CUSTOMERS IN THE

1 CERTIFICATED TERRITORIES OF MUNICIPALLY OWNED ELECTRIC UTILITIES
2 OR COOPERATIVE ELECTRIC ASSOCIATIONS;

3 (XVII) THE IMPACT OF ALLOWING CCE IN COLORADO ON THE
4 ABILITY OF COLORADO TO REACH ITS CLEAN ENERGY AND GREENHOUSE
5 GAS REDUCTION GOALS AND WHAT LEGISLATIVE AND REGULATORY
6 REQUIREMENTS FOR CCE WOULD BE NEEDED TO FACILITATE REACHING
7 THOSE GOALS;

8 (XVIII) THE IMPACT, BOTH POSITIVE AND NEGATIVE, OF CCE IN
9 COMMUNITIES THAT HAVE FORMED OR JOINED A CCE AUTHORITY IN
10 STATES THAT HAVE ENABLED THE WHOLESALE, OPT-OUT MODEL OF CCE;

11 (XIX) THE IMPACT OF CCE ON LOW-INCOME HOUSEHOLDS AND
12 COMMUNITIES DISPROPORTIONATELY IMPACTED BY ELECTRICITY
13 GENERATION, INCLUDING THE AVAILABILITY OF LOW-INCOME PROGRAMS
14 OFFERED THROUGH THE INVESTOR-OWNED ELECTRIC UTILITY TO CCE
15 CUSTOMERS AND THE ABILITY OF CCE AUTHORITIES TO ESTABLISH
16 ADDITIONAL PROGRAMS TO ASSIST LOW-INCOME HOUSEHOLDS AND
17 COMMUNITIES DISPROPORTIONATELY IMPACTED BY ELECTRICITY
18 GENERATION;

19 (XX) THE RISKS A CCE AUTHORITY MIGHT FACE THAT MERIT
20 CONSIDERATION, SUCH AS RESOURCE PRICE RISKS, CONTRACT RISKS, OR
21 LOAD DEFECTION, AND THE SIGNIFICANCE OF THOSE RISKS; ■

22 (XXI) THE IMPACT OF CCE ON JOBS IN THE ELECTRICITY SECTOR;
23 AND

24 (XXII) WHAT OPTIONS, INCLUDING PROJECT LABOR AGREEMENTS,
25 WOULD ENSURE THAT NEW ENERGY PROJECTS BUILT TO SUPPLY CCE
26 AUTHORITIES ARE CONSTRUCTED USING UNION LABOR.

27 (d) THE COMMISSION SHALL SUMMARIZE ITS FINDINGS,

1 CONCLUSIONS, AND RECOMMENDATIONS FROM THE INVESTIGATORY
2 DOCKET IN A FINAL REPORT SUBMITTED TO THE TRANSPORTATION AND
3 ENERGY COMMITTEE OF THE SENATE AND THE ENERGY AND ENVIRONMENT
4 COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR
5 COMMITTEES, AND POSTED ON THE COMMISSION'S PUBLIC WEBSITE. THE
6 COMMISSION SHALL SUBMIT THE REPORT ON OR BEFORE DECEMBER 15,
7 2022. RECOMMENDATIONS MAY BE SPLIT INTO MAJORITY VIEWS AND
8 DISSENTING VIEWS IF NECESSARY.

9 (e) THE IMPLEMENTATION OF ANY OPTION DETERMINED FROM THE
10 STUDY CANNOT HAVE A NEGATIVE IMPACT ON OTHER RATEPAYERS
11 OUTSIDE OF THE MUNICIPALITY THAT IS THE FOCUS OF THE STUDY.

12 (4) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1,
13 2024.

14 **SECTION 2. Appropriation.** (1) For the 2021-22 state fiscal
15 year, \$48,391 is appropriated to the department of regulatory agencies for
16 use by the public utilities commission. This appropriation is from the
17 general fund. To implement this act, the commission may use this
18 appropriation as follows:

19 (a) \$41,381 for personal services, which amount is based on an
20 assumption that the commission will require an additional 0.5 FTE; and

21 (b) \$7,010 for operating expenses.

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