

## CHAPTER 359

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**PUBLIC UTILITIES**


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**HOUSE BILL 08-1164**

BY REPRESENTATIVE(S) Solano, Benefield, Fischer, Levy, Casso, Kerr A., Madden, Merrifield, Peniston, Todd, Borodkin, Carroll M., Carroll T., Curry, Frangas, Green, Kefalas, Labuda, Marshall, McFadyen, McGihon, Middleton, Pommer, Primavera, Rice, Scanlan, Soper, Weissmann, Ferrandino, Hodge, Jahn, Roberts, Romanoff, and White;  
also SENATOR(S) Schwartz, Tupa, Bacon, Boyd, Gibbs, Gordon, Groff, Isgar, Keller, Romer, Shaffer, Tapia, Williams, and Windels.

**AN ACT**

**CONCERNING THE ADVANCEMENT OF NEW SOLAR ENERGY TECHNOLOGIES.**

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

**SECTION 1.** 40-2-123 (1), Colorado Revised Statutes, is amended, and the said 40-2-123 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

**40-2-123. New energy technologies - consideration by commission - incentives - demonstration projects - definitions - legislative declaration.**

(1) (a) The commission shall give the fullest possible consideration to the cost-effective implementation of new clean energy and energy-efficient technologies in its consideration of generation acquisitions for electric utilities, bearing in mind the beneficial contributions such technologies make to Colorado's energy security, economic prosperity, environmental protection, and insulation from fuel price increases. The commission shall consider utility investments in energy efficiency to be an acceptable use of ratepayer moneys.

(b) THE COMMISSION MAY GIVE CONSIDERATION TO THE LIKELIHOOD OF NEW ENVIRONMENTAL REGULATION AND THE RISK OF HIGHER FUTURE COSTS ASSOCIATED WITH THE EMISSION OF GREENHOUSE GASES SUCH AS CARBON DIOXIDE WHEN IT CONSIDERS UTILITY PROPOSALS TO ACQUIRE RESOURCES. WHERE UTILITIES ELIMINATE OR REDUCE CARBON DIOXIDE EMISSIONS THROUGH THE USE OF CAPTURE AND SEQUESTRATION, THE COMMISSION MAY CONSIDER THE BENEFITS OF USING CARBON DIOXIDE FOR ENHANCED OIL RECOVERY OR OTHER USES.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

(3) (a) (I) ENERGY IS CRITICALLY IMPORTANT TO COLORADO'S WELFARE AND DEVELOPMENT AND ITS USE HAS A PROFOUND IMPACT ON THE ECONOMY AND ENVIRONMENT. IN ORDER TO DIVERSIFY COLORADO'S ENERGY RESOURCES, ATTRACT NEW BUSINESSES AND JOBS, PROMOTE DEVELOPMENT OF RURAL ECONOMIES, MINIMIZE WATER USE FOR ELECTRIC GENERATION, REDUCE THE IMPACT OF VOLATILE FUEL PRICES, AND IMPROVE THE NATURAL ENVIRONMENT OF THE STATE, THE GENERAL ASSEMBLY FINDS IT IN THE BEST INTERESTS OF THE CITIZENS OF COLORADO TO DEVELOP AND UTILIZE SOLAR ENERGY RESOURCES IN INCREASING AMOUNTS.

(II) FOR PURPOSES OF THIS SUBSECTION (3), "UTILITY-SCALE" MEANS PROJECTS WITH NAMEPLATE RATINGS IN EXCESS OF TWO MEGAWATTS.

(b) THE COMMISSION MAY CONSIDER WHETHER ACQUISITION OF UTILITY-SCALE SOLAR RESOURCES IS IN THE PUBLIC INTEREST, TAKING INTO ACCOUNT THE ASSOCIATED COSTS AND BENEFITS, AND, IF SO, THE APPROPRIATE AMOUNT OF UTILITY-SCALE SOLAR RESOURCES THAT SHOULD BE ACQUIRED. IN MAKING THIS DETERMINATION, THE COMMISSION MAY CONSIDER THE FOLLOWING POTENTIAL ATTRIBUTES OF UTILITY-SCALE SOLAR ELECTRIC GENERATION:

(I) WHETHER THE PROPOSED GENERATION COULD PROVIDE ENERGY STORAGE TO MATCH THE TIMES DURING WHICH UTILITY GENERATION IS GENERALLY HIGHER COST;

(II) WHETHER THE PROPOSED GENERATION, DUE TO MODULARITY, SCALABILITY, AND RAPID DEPLOYMENT, COULD RESULT IN REDUCTION OF PERFORMANCE AND FINANCIAL RISK FOR THE UTILITY;

(III) WHETHER UTILITY-SCALE SOLAR ELECTRIC GENERATION COULD REDUCE THE CONSUMPTION OF WATER FOR ELECTRIC GENERATION;

(IV) WHETHER FUTURE COSTS CAN BE STABILIZED THROUGH MITIGATION OF THE IMPACT OF UNPREDICTABLE FOSSIL FUEL PRICES; AND

(V) WHETHER CARBON-FREE GENERATION REDUCES LONG-TERM COSTS AND RISKS RELATED TO POTENTIAL CARBON REGULATION OR TAXATION.

(4) THIS SECTION DOES NOT EXPAND OR CONTRACT THE COMMISSION'S JURISDICTION OVER COOPERATIVE ELECTRIC ASSOCIATIONS UNDER THIS TITLE.

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

Approved: June 2, 2008