

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation & Energy.

SB26-002 be amended as follows:

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
28 PARTICIPATION IN THE UTILITY'S PIPP PROGRAM EACH YEAR AND IS
29 DELIVERED AS AN EQUAL MONTHLY CREDIT ON THE PARTICIPANT'S
30 MONTHLY UTILITY BILL.

31 **(II) THE FIXED CREDIT** IS EQUAL TO THE PARTICIPANT'S TOTAL
32 PROJECTED FULL ANNUAL BILL MINUS THE PARTICIPANT'S AFFORDABLE
33 PERCENTAGE OF INCOME PAYMENT.

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

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

40 **(g) "INVESTOR-OWNED UTILITY" OR "UTILITY"** MEANS A RETAIL

1 ELECTRIC UTILITY OR A COMBINED RETAIL ELECTRIC AND GAS UTILITY IN
2 THE STATE THAT IS REGULATED BY THE COMMISSION AND IS NOT A
3 COOPERATIVE ELECTRIC ASSOCIATION OR A MUNICIPALLY OWNED UTILITY.

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

7 (i) "PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM" OR "PIPP
8 PROGRAM" MEANS A PAYMENT PLAN PROGRAM FOR RESIDENTIAL
9 PARTICIPANTS IN WHICH A PARTICIPANT'S UTILITY BILL DOES NOT EXCEED
10 AN AFFORDABLE PERCENTAGE OF INCOME.

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

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

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

19 (a) AN INVESTOR-OWNED UTILITY SHALL ESTABLISH A
20 PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM FOR RESIDENTIAL
21 INCOME-QUALIFIED UTILITY CUSTOMERS.

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

26 (c) AN INVESTOR-OWNED UTILITY SHALL PUBLISH THE FOLLOWING
27 INFORMATION RELATED TO THE PIPP PROGRAM ON THE UTILITY'S PUBLIC
28 WEBSITE:

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

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

31 (III) THE APPLICATION AND ENROLLMENT PROCESSES;

32 (IV) AN ESTIMATED TIME FRAME FOR WHEN AN APPLICANT WILL
33 RECEIVE NOTICE OF THEIR ACCEPTANCE INTO OR DENIAL FROM THE PIPP
34 PROGRAM;

35 (V) AFFORDABLE PERCENTAGE OF INCOME AMOUNTS FOR
36 DIFFERENT TYPES OF CUSTOMERS, AS DESCRIBED IN SUBSECTION (4) OF
37 THIS SECTION;

38 (VI) PIPP CHARGE AMOUNTS; AND

39 (VII) THE TERMS AND CONDITIONS FOR THE UTILITY'S PIPP
40 PROGRAM.

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

42 (a) AN INCOME-QUALIFIED UTILITY CUSTOMER IS ELIGIBLE TO
43 PARTICIPATE IN THE PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM

1 IF THE CUSTOMER:
2 (I) MEETS THE INCOME ELIGIBILITY CRITERIA;
3 (II) EITHER:
4 (A) SUBMITS AN APPLICATION TO THE INVESTOR-OWNED UTILITY
5 TO PARTICIPATE IN THE PIPP PROGRAM; OR
6 (B) IS REFERRED BY ANOTHER INCOME-ELIGIBLE ASSISTANCE
7 PROGRAM OFFERED BY THE DEPARTMENT OF HUMAN SERVICES, CREATED
8 IN SECTION 26-1-105; THE COLORADO ENERGY OFFICE, CREATED IN
9 SECTION 24-38.5-101; THE ORGANIZATION DEFINED IN SECTION 40-8.7-103
10 (4); OR OTHER ENERGY ASSISTANCE PROGRAM APPROVED BY THE
11 COMMISSION; AND
12 (III) LIVES IN THE SERVICE AREA OF AN INVESTOR-OWNED UTILITY
13 THAT HAS ESTABLISHED A PIPP PROGRAM.
14 (b) (I) AN APPLICANT THAT SUBMITS A PIPP PROGRAM
15 APPLICATION TO AN INVESTOR-OWNED UTILITY MAY SUBMIT
16 DOCUMENTATION WITH THE APPLICATION VERIFYING THAT THE APPLICANT
17 MEETS THE INCOME ELIGIBILITY CRITERIA, INCLUDING:
18 (A) DOCUMENTATION THAT THE APPLICANT IS ENROLLED IN
19 ANOTHER INCOME-ELIGIBLE ASSISTANCE PROGRAM OFFERED BY THE
20 DEPARTMENT OF HUMAN SERVICES, CREATED IN SECTION 26-1-105; THE
21 COLORADO ENERGY OFFICE, CREATED IN SECTION 24-38.5-101; THE
22 ORGANIZATION DEFINED IN SECTION 40-8.7-103 (4); OR OTHER ENERGY
23 ASSISTANCE PROGRAM APPROVED BY THE COMMISSION; OR
24 (B) A SELF-ATTESTATION, THROUGH A PROCESS ESTABLISHED BY
25 THE UTILITY FOR THE PIPP PROGRAM, OF THE APPLICANT'S INCOME
26 ELIGIBILITY.
27 (II) IF AN APPLICANT'S HOUSEHOLD INCOME IS ZERO DOLLARS, THE
28 UTILITY MAY ESTABLISH A PROCESS THAT VERIFIES THE APPLICANT'S
29 HOUSEHOLD INCOME ON A MORE FREQUENT THAN ANNUAL BASIS.
30 (c) AN APPLICANT IS NOT REQUIRED TO MAKE A PAYMENT ON THE
31 APPLICANT'S ACCOUNT AS A CONDITION OF ACCEPTANCE INTO A PIPP
32 PROGRAM.
33 (d) AN INVESTOR-OWNED UTILITY SHALL ESTABLISH APPLICATION
34 AND PARTICIPATION PROCEDURES THAT ARE EFFICIENT, AVAILABLE TO
35 APPLICANTS IN PLAIN LANGUAGE, AND INTENDED TO MAXIMIZE
36 PARTICIPATION IN THE UTILITY'S PIPP PROGRAM.
37 (e) (I) WITHIN THIRTY DAYS AFTER RECEIVING A PIPP PROGRAM
38 APPLICATION FROM AN INCOME-QUALIFIED UTILITY CUSTOMER, AN
39 INVESTOR-OWNED UTILITY SHALL APPROVE OR DENY THE
40 INCOME-QUALIFIED UTILITY CUSTOMER'S APPLICATION.
41 (II) IF THE INVESTOR-OWNED UTILITY APPROVES AN
42 INCOME-QUALIFIED UTILITY CUSTOMER'S APPLICATION FOR PARTICIPATION
43 IN THE PIPP PROGRAM, THE UTILITY SHALL PROVIDE AN EXPLANATION OF

1 THE PIPP PROGRAM BENEFITS, INCLUDING:
2 (A) THE PARTICIPANT'S ESTIMATED FULL ANNUAL BILL AMOUNT;
3 (B) THE PARTICIPANT'S FIXED CREDIT AMOUNT;
4 (C) THE AFFORDABLE PERCENTAGE OF INCOME FOR WHICH THE
5 PARTICIPANT IS RESPONSIBLE FOR PAYING, LISTED AS BOTH A PERCENTAGE
6 AND AN ESTIMATED MONTHLY AMOUNT; AND
7 (D) A COPY OF THE TERMS AND CONDITIONS OF PARTICIPATION IN
8 THE PIPP PROGRAM.

9 (III) IF THE INVESTOR-OWNED UTILITY DENIES AN APPLICANT'S
10 APPLICATION FOR PARTICIPATION IN THE PIPP PROGRAM, THE UTILITY
11 SHALL PROVIDE THE APPLICANT AN EXPLANATION FOR THE DENIAL AND,
12 IF THE REASON FOR THE DENIAL WAS BASED ON THE UTILITY'S
13 VERIFICATION OF THE APPLICANT'S HOUSEHOLD INCOME IN ACCORDANCE
14 WITH SUBSECTION (3)(b) OF THIS SECTION, THE DEPARTMENT, AGENCY, OR
15 ORGANIZATION THAT THE UTILITY CONTACTED TO VERIFY THE
16 APPLICANT'S HOUSEHOLD INCOME.

17 (IV) IF AN INCOME-QUALIFIED UTILITY CUSTOMER IS ACCEPTED
18 INTO THE PIPP PROGRAM, THE CUSTOMER SHALL REMAIN QUALIFIED FOR
19 THE PIPP PROGRAM FOR TWO PROGRAM YEARS AFTER THE DATE ON WHICH
20 THE CUSTOMER IS ACCEPTED INTO THE PROGRAM.

21 (f) (I) AN INVESTOR-OWNED UTILITY IS RESPONSIBLE FOR
22 ESTABLISHING AND ADMINISTERING THE PROCESS FOR INCOME-QUALIFIED
23 UTILITY CUSTOMERS TO APPLY FOR PARTICIPATION AND MAINTAINING
24 ENROLLMENT IN THE PIPP PROGRAM.

25 (II) A PARTICIPANT MAY REMAIN ENROLLED IN A UTILITY'S PIPP
26 PROGRAM IF THE PARTICIPANT MOVES WITHIN THE SAME UTILITY SERVICE
27 TERRITORY WITHOUT REAPPLYING FOR PARTICIPATION IN THE PIPP
28 PROGRAM, AND THE PARTICIPANT SHALL NOTIFY THE UTILITY OF THE
29 PARTICIPANT'S CHANGE OF ADDRESS AND NEW ACCOUNT NUMBER.

30 (III) IF A PARTICIPANT MOVES OUTSIDE OF A UTILITY'S SERVICE
31 TERRITORY, THE PARTICIPANT IS NO LONGER ELIGIBLE FOR THE UTILITY'S
32 PIPP PROGRAM AND THE UTILITY SHALL SEND NOTICE TO THE PARTICIPANT
33 THAT THE PARTICIPANT'S ELIGIBILITY FOR AND ENROLLMENT IN THE PIPP
34 PROGRAM HAS ENDED.

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

40 (4) **Affordable percentage of income calculation.**
41 (a) (I) AN INVESTOR-OWNED UTILITY SHALL ESTIMATE A
42 PARTICIPANT'S FULL ANNUAL BILL IN ORDER TO DETERMINE A
43 PARTICIPANT'S AFFORDABLE PERCENTAGE OF INCOME PAYMENT IN

1 ACCORDANCE WITH SUBSECTIONS (4)(b) AND (4)(c) OF THIS SECTION.
2 (II) AN INVESTOR-OWNED UTILITY SHALL INCLUDE THE
3 DIFFERENCE BETWEEN A PARTICIPANT'S AFFORDABLE PERCENTAGE OF
4 INCOME PAYMENT AND THE PROJECTED FULL ANNUAL BILL ON THE
5 PARTICIPANT'S UTILITY BILL AS A FIXED CREDIT.
6 (III) AN INVESTOR-OWNED UTILITY MAY ADJUST THE FIXED CREDIT
7 AMOUNT IF RESIDENTIAL RATES FOR ELECTRICITY SIGNIFICANTLY CHANGE
8 FROM THE RATE USED TO ESTIMATE THE PARTICIPANT'S FULL ANNUAL BILL
9 OR IF THE PARTICIPANT'S ACTUAL BILL AMOUNT VARIES BY TWENTY-FIVE
10 PERCENT OR MORE FROM THE PARTICIPANT'S ESTIMATED FULL ANNUAL
11 BILL.
12 (b) IF A PARTICIPANT'S ANNUAL HOUSEHOLD INCOME IS ABOVE
13 ZERO DOLLARS, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF INCOME
14 MUST NOT EXCEED THE APPLICABLE PERCENTAGE OF HOUSEHOLD INCOME
15 AS FOLLOWS:
16 (I) FOR UTILITIES WITH FIVE HUNDRED THOUSAND CUSTOMERS OR
17 FEWER:
18 (A) FOR ELECTRIC ACCOUNTS THAT HAVE ELECTRICITY AS THE
19 PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF
20 INCOME PAYMENT MUST NOT BE GREATER THAN SIX PERCENT OF THE
21 PARTICIPANT'S HOUSEHOLD INCOME;
22 (B) FOR ELECTRIC ACCOUNTS THAT DO NOT HAVE ELECTRICITY AS
23 THE PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE
24 OF INCOME PAYMENT MUST NOT BE GREATER THAN THREE PERCENT OF THE
25 PARTICIPANT'S HOUSEHOLD INCOME;
26 (C) FOR ACCOUNTS THAT HAVE BOTH NATURAL GAS SERVICE AND
27 ELECTRIC SERVICE FROM A SINGLE UTILITY, A PARTICIPANT'S AFFORDABLE
28 PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER THAN FIVE
29 PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; OR
30 (D) FOR ACCOUNTS THAT HAVE NEITHER ELECTRICITY NOR
31 NATURAL GAS AS A PRIMARY HEATING SOURCE, A PARTICIPANT'S
32 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER
33 THAN FIVE PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; AND
34 (II) FOR UTILITIES WITH MORE THAN FIVE HUNDRED THOUSAND
35 CUSTOMERS:
36 (A) FOR ELECTRIC ACCOUNTS THAT HAVE ELECTRICITY AS THE
37 PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF
38 INCOME PAYMENT MUST NOT BE GREATER THAN FOUR PERCENT OF THE
39 PARTICIPANT'S HOUSEHOLD INCOME;
40 (B) FOR ELECTRIC ACCOUNTS THAT DO NOT HAVE ELECTRICITY AS
41 THE PRIMARY HEATING FUEL, A PARTICIPANT'S AFFORDABLE PERCENTAGE
42 OF INCOME PAYMENT MUST NOT BE GREATER THAN TWO PERCENT OF THE
43 PARTICIPANT'S HOUSEHOLD INCOME;

1 (C) FOR ACCOUNTS THAT HAVE BOTH NATURAL GAS SERVICE AND
2 ELECTRIC SERVICE FROM A SINGLE UTILITY, A PARTICIPANT'S AFFORDABLE
3 PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER THAN FIVE
4 PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME; OR

5 (D) FOR ACCOUNTS THAT HAVE NEITHER ELECTRICITY NOR
6 NATURAL GAS AS A PRIMARY HEATING SOURCE, A PARTICIPANT'S
7 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE GREATER
8 THAN FIVE PERCENT OF THE PARTICIPANT'S HOUSEHOLD INCOME.

9 (c) IF A PARTICIPANT'S ANNUAL HOUSEHOLD INCOME IS ZERO
10 DOLLARS, A PARTICIPANT'S AFFORDABLE PERCENTAGE OF INCOME MUST
11 NOT EXCEED THE APPLICABLE PERCENTAGE OF HOUSEHOLD INCOME AS
12 FOLLOWS:

13 (I) FOR AN ELECTRIC HEATING ACCOUNT, THE PARTICIPANT'S
14 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE MORE THAN
15 TWENTY DOLLARS PER MONTH; OR

16 (II) FOR AN ELECTRIC NONHEATING ACCOUNT, THE PARTICIPANT'S
17 AFFORDABLE PERCENTAGE OF INCOME PAYMENT MUST NOT BE MORE THAN
18 TEN DOLLARS PER MONTH.

19 (5) **Arrearage credits.**

20 (a) (I) AN INVESTOR-OWNED UTILITY SHALL APPLY ARREARAGE
21 CREDITS TO A PARTICIPANT'S ARREARAGES THAT EXISTED BEFORE THE
22 PARTICIPANT APPLIED FOR THE PIPP PROGRAM.

23 (II) ARREARAGE CREDITS MUST BE ESTABLISHED AND APPLIED TO
24 A PARTICIPANT'S UTILITY BILL IN AN AMOUNT SUFFICIENT TO REDUCE,
25 WHEN COMBINED WITH ANY REQUIRED PAYMENTS FROM THE PARTICIPANT,
26 THE PARTICIPANT'S ARREARAGES TO ZERO DOLLARS OVER A PERIOD OF NOT
27 LESS THAN ONE MONTH AND NOT MORE THAN TWENTY-FOUR MONTHS.

28 (b) AN INVESTOR-OWNED UTILITY MAY CONDITION THE
29 APPLICATION OF ARREARAGE CREDITS ON THE FOLLOWING:

30 (I) A PARTICIPANT'S TIMELY PAYMENT OF BILLS FOR CURRENT
31 USAGE; OR

32 (II) A PARTICIPANT'S PAYMENT TOWARD PREEXISTING
33 ARREARAGES, EXCEPT THAT THE TOTAL DOLLAR AMOUNT OF THE
34 PAYMENT REQUIRED BY THE UTILITY MUST NOT EXCEED ONE PERCENT OF
35 THE PARTICIPANT'S ANNUAL HOUSEHOLD INCOME.

36 (c) IF A PARTICIPANT'S ENROLLMENT IN THE PIPP PROGRAM ENDS
37 FOR ANY REASON PRIOR TO THE FORGIVENESS OF ALL ARREARAGES, ANY
38 REMAINING ARREARAGES BECOME DUE IN ACCORDANCE WITH THE
39 UTILITY'S CURRENT TARIFF FILED WITH THE COMMISSION AT THE TIME OF
40 THE TERMINATION.

41 (d) WHILE A PARTICIPANT IS ENROLLED IN A UTILITY'S PIPP
42 PROGRAM, THE UTILITY SHALL NOT TERMINATE THE PARTICIPANT'S
43 SERVICE FOR NONPAYMENT OF THE ARREARAGES.

1 (e) A PARTICIPANT MAY RECEIVE ARREARAGE CREDITS PURSUANT
2 TO THIS SECTION REGARDLESS OF WHETHER THE PARTICIPANT RECEIVES A
3 CREDIT TOWARD A UTILITY BILL FOR CURRENT USAGE.

4 (6) **Participation in other assistance programs.**

5 (a) THIS SECTION DOES NOT PROHIBIT AN INCOME-QUALIFIED
6 UTILITY CUSTOMER FROM PARTICIPATING IN OTHER ENERGY ASSISTANCE
7 PROGRAMS WHILE ENROLLED IN A PERCENTAGE-OF-INCOME PAYMENT
8 PLAN PROGRAM.

9 (b) AN INVESTOR-OWNED UTILITY MAY APPLY ENERGY ASSISTANCE
10 GRANTS PROVIDED TO A PARTICIPANT TO THE DOLLAR VALUE OF THE FIXED
11 CREDITS PROVIDED TO THE PARTICIPANT TO COVER THE UNAFFORDABLE
12 PORTION OF THE PARTICIPANT'S UTILITY BILL IN A MANNER DETERMINED
13 BY THE COMMISSION BY RULE.

14 (7) **Cost recovery.**

15 (a) AN INVESTOR-OWNED UTILITY MAY RECOVER
16 PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM COSTS THROUGH A
17 PIPP CHARGE ON THE UTILITY'S CUSTOMERS, AS APPROVED BY THE
18 COMMISSION.

19 (b) IF AN INVESTOR-OWNED UTILITY IMPOSES A PIPP CHARGE, THE
20 INVESTOR-OWNED UTILITY SHALL:

21 (I) ASSESS THE PIPP CHARGE AS A SEPARATE LINE ITEM ON EVERY
22 CUSTOMER'S MONTHLY BILL AND IDENTIFY THE CHARGE AS A "PIPP
23 CHARGE";

24 (II) COLLECT THE MONTHLY PIPP CHARGE IN THE SAME MANNER
25 AS ALL OTHER CHARGES AND FEES ARE COLLECTED FROM A CUSTOMER;

26 (III) STATE THE AMOUNT OF THE PIPP CHARGE, WHICH MUST BE
27 APPROVED BY THE COMMISSION; AND

28 (IV) INCLUDE THE AMOUNT OF PIPP CHARGES COLLECTED FROM
29 A UTILITY'S CUSTOMERS ON THE UTILITY'S TARIFF SHEET FILED WITH THE
30 COMMISSION.

31 (c) IF AN INVESTOR-OWNED UTILITY IMPOSES A PIPP CHARGE, THE
32 UTILITY IS ENCOURAGED TO ANNUALLY CONTRIBUTE SHAREHOLDER
33 PROFITS TO THE PIPP PROGRAM. ANY AMOUNT CONTRIBUTED BY THE
34 UTILITY IS NOT TO BE DIRECTLY OR INDIRECTLY RECOVERED FROM
35 CUSTOMERS.

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

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

42 (II) TO PROVIDE CREDITS TO PARTICIPANTS FOR THE PARTICIPANTS'
43 ARREARAGES;

1 (III) TO COVER ADMINISTRATIVE COSTS OF IMPLEMENTING AND
2 ADMINISTERING THE PIPP PROGRAM; AND

3 (IV) TO COVER PIPP PROGRAM EVALUATION COSTS REQUIRED BY
4 THE COMMISSION.

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

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

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

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

13 (C) ADMINISTRATIVE COSTS ASSOCIATED WITH IMPLEMENTING
14 AND ADMINISTERING THE PIPP PROGRAM;

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

17 (E) THE AMOUNT OF ARREARAGE CREDITS PROVIDED TO
18 PARTICIPANTS IN THE PIPP PROGRAM.

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

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

25 **SECTION 2. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly (August
28 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
29 referendum petition is filed pursuant to section 1 (3) of article V of the
30 state constitution against this act or an item, section, or part of this act
31 within such period, then the act, item, section, or part will not take effect
32 unless approved by the people at the general election to be held in
33 November 2026 and, in such case, will take effect on the date of the
34 official declaration of the vote thereon by the governor."

35 Page 1, strike lines 102 through 105 and substitute "THEREWITH,
36 ESTABLISHING A PERCENTAGE-OF-INCOME PAYMENT PLAN PROGRAM
37 FOR INCOME-QUALIFIED UTILITY CUSTOMERS."

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