

HOUSE COMMITTEE OF REFERENCE AMENDMENT
Committee on Energy & Environment.

HB25-1268 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** part 6 to article
4 38.5 of title 24 as follows:

PART 6

UTILITY ON-BILL PROGRAM

7 **24-38.5-601. Legislative declaration.** (1) THE GENERAL
8 ASSEMBLY FINDS THAT COLORADO CONSUMERS HAVE THE POTENTIAL TO
9 SAVE ENERGY, REDUCE GREENHOUSE GAS EMISSIONS, AND TRANSITION
10 AWAY FROM FOSSIL FUEL INFRASTRUCTURE THROUGH ENERGY SOLUTIONS,
11 INCLUDING ENERGY EFFICIENCY MEASURES, ELECTRIFICATION MEASURES,
12 AND ENERGY UPGRADES.

13 (2) THEREFORE, THE GENERAL ASSEMBLY DECLares THAT:

14 (a) UTILITY CUSTOMERS WOULD BENEFIT FROM HAVING ACCESS TO
15 SIGNIFICANT AMOUNTS OF PUBLIC AND PRIVATE CAPITAL FOR LOW-COST
16 FINANCING SOLUTIONS FOR ENERGY-RELATED IMPROVEMENTS, INCLUDING
17 END-OF-LIFE EQUIPMENT REPLACEMENT:

18 (b) UTILITY ON-BILL PROGRAMS THAT ALLOW REPAYMENTS
19 THROUGH UTILITY BILL PAYMENTS COULD EXPAND THE OPPORTUNITIES
20 FOR ELIGIBLE RETAIL UTILITY CUSTOMERS TO PURSUE ENERGY EFFICIENCY
21 MEASURES, ELECTRIFICATION MEASURES, AND ENERGY UPGRADES BY
22 ENABLING UTILITY CUSTOMERS TO PAY BACK THE UP-FRONT COSTS OF THE
23 UPGRADES AND MEASURES OVER TIME THROUGH THEIR UTILITY BILL
24 PAYMENTS AT OR BELOW INTEREST RATES THAT MAY BE AVAILABLE FROM
25 OTHER SOURCES; AND

26 (c) A PROGRAM ESTABLISHED TO PROVIDE SUCH ON-BILL
27 REPAYMENT COULD INCLUDE UTILITY-ADMINISTERED REPAYMENT OF
28 COSTS FOR WHICH THE REPAYMENT OBLIGATION REMAINS WITH THE
29 ASSOCIATED ENERGY METER AND SERVICE ADDRESS, INSTEAD OF
30 TRANSFERRING TO A CUSTOMER'S NEW LOCATION.

31 **24-38.5-602. Definitions.** AS USED IN THIS PART 6, UNLESS THE
32 CONTEXT OTHERWISE REQUIRES:

33 (1) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION
34 CREATED IN SECTION 40-2-101.

35 (2) "COOPERATIVE ELECTRIC ASSOCIATION" HAS THE MEANING SET
36 FORTH IN SECTION 40-9.5-102 (1).

37 (3)(a) "ELECTRIFICATION" MEANS "BENEFICIAL ELECTRIFICATION",
38 AS DEFINED IN SECTION 40-1-102 (1.2).

39 (b) "ELECTRIFICATION" INCLUDES:

- (I) A GROUND-SOURCE OR AIR-SOURCE HEAT PUMP SYSTEM; AND
- (II) A HEAT PUMP WATER HEATER.

3 (4) (a) "ENERGY EFFICIENCY MEASURE" MEANS ANY
4 PERMANENTLY INSTALLED IMPROVEMENT, ADDITION, OR EQUIPMENT THAT
5 ALIGNS WITH THE STATE'S GREENHOUSE GAS REDUCTION TARGETS AND
6 THAT:

7 (I) REDUCES THE CONSUMPTION OF ENERGY AT A PROGRAM
8 PARTICIPANT'S PREMISES; OR

9 (II) ENABLES A PROGRAM PARTICIPANT TO REDUCE OR SHIFT
10 ENERGY CONSUMPTION AT THE PREMISES.

11 (b) "ENERGY EFFICIENCY MEASURE" INCLUDES:

12 (I) A BUILDING SHELL MEASURE, SUCH AS AIR SEALING, WINDOW
13 FILM, ROOF REPAIR, INSULATION, OR WINDOW AND DOOR MODIFICATIONS;

14 (II) AN AUTOMATIC OR INTERNET-CONNECTED ENERGY CONTROL
15 SYSTEM; AND

16 (III) ANY OTHER MEASURE OR UPGRADE AUTHORIZED BY THE
17 OFFICE OR APPROVED BY THE COMMISSION AS PART OF A UTILITY'S
18 APPLICATION TO ESTABLISH AN ON-BILL PROGRAM OR TO USE MONEY FROM
19 THE FUND

20 (5) "ENERGY UPGRADE" MEANS THE INSTALLATION,
21 IMPROVEMENT, OR ADDITION OF APPURTEINANCE EQUIPMENT AT A
22 PROGRAM PARTICIPANT'S PREMISES TO:

23 (a) UPGRADE THE PROGRAM PARTICIPANT'S ELECTRIC PANEL TO
24 ENABLE THE INSTALLATION OF ENERGY EFFICIENCY MEASURES OR
25 ELECTRIFICATION MEASURES:

26 (b) ENABLE THE PROGRAM PARTICIPANT TO INSTALL ENERGY
27 STORAGE; OR

27 SOURCE, OR
28 (c) MAKE ANY OTHER ENERGY UPGRADE AUTHORIZED BY THE
29 OFFICE OR APPROVED BY THE COMMISSION AS PART OF A UTILITY'S
30 APPLICATION TO ESTABLISH AN ON-BILL PROGRAM

31 (6) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
32 SECTION 24-38.5-101(1)

(7) "ON-BILL CASH FUND" OR "FUND" MEANS THE ON-BILL CASH FUND CREATED IN SECTION 24-38 5-607.

42 (9) "PARTICIPATING UTILITY" MEANS A UTILITY THAT RECEIVES
43 MONEY THROUGH THE PROGRAM, EITHER DIRECTLY THROUGH A LOAN
44 FROM THE OFFICE OR THROUGH PARTICIPATION IN A PROGRAM
45 ADMINISTERED BY THE PROGRAM ADMINISTRATOR.

1 (10) "PROGRAM ADMINISTRATOR" MEANS A THIRD-PARTY ENTITY
2 THAT THE OFFICE MAY CONTRACT WITH TO PLAN, ADMINISTER, OPERATE,
3 AND MANAGE A UTILITY ON-BILL PROGRAM FOR PARTICIPATING UTILITIES
4 THAT VOLUNTARILY CHOOSE TO CONTRACT WITH THE PROGRAM
5 ADMINISTRATOR AS THEIR UTILITY-DESIGNATED ADMINISTRATOR.

(11) "PROGRAM PARTICIPANT" MEANS A PARTICIPATING UTILITY CUSTOMER THAT HAS REQUESTED TO PARTICIPATE IN A PARTICIPATING UTILITY'S ON-BILL PROGRAM AND THAT THE PARTICIPATING UTILITY, EITHER DIRECTLY OR THROUGH ITS UTILITY-DESIGNATED ADMINISTRATOR, HAS DETERMINED IS ELIGIBLE FOR PROGRAM PARTICIPATION.

(12) "UNCLAIMED PROPERTY TRUST FUND" MEANS THE UNCLAIMED PROPERTY TRUST FUND CREATED IN SECTION 38-13-801.

13 (13) "UTILITY" MEANS AN ELECTRIC UTILITY, A GAS UTILITY, OR A
14 COMBINED FUEL UTILITY AND INCLUDES:

15 (a) AN INVESTOR-OWNED UTILITY;
16 (b) A COOPERATIVE ELECTRIC ASSOCIATION; AND
17 (c) A MUNICIPALLY OWNED UTILITY.

18 (14) (a) "UTILITY-DESIGNATED ADMINISTRATOR" MEANS A
19 THIRD-PARTY ENTITY THAT A UTILITY MAY CONTRACT WITH TO PLAN,
20 ADMINISTER, OPERATE, AND MANAGE THE UTILITY'S ON-BILL PROGRAM.

21 (b) "UTILITY-DESIGNATED ADMINISTRATOR" INCLUDES THE
22 PROGRAM ADMINISTRATOR, AS APPLICABLE.

23 **24-38.5-603. On-bill programs - participation process -**

24 **reporting.** (1) FOR THE PURPOSE OF ALLOCATING MONEY TO PROVIDE
25 CAPITAL FOR PARTICIPATING UTILITIES' ON-BILL PROGRAMS, THE OFFICE
26 SHALL ESTABLISH A PROCESS THROUGH WHICH A UTILITY MAY REQUEST TO
27 BECOME A PARTICIPATING UTILITY. THE OFFICE MAY DESIGN REQUEST
28 FORMS OR GUIDANCE DOCUMENTS FOR THE PROCESS AND SHALL POST ANY
29 SUCH FORMS AND GUIDANCE DOCUMENTS ON ITS PUBLIC WEBSITE.

38 (3) (a) THE OFFICE MAY ISSUE GUIDANCE ON PROGRAM
39 REQUIREMENTS OR PLACE CONTRACT LIMITATIONS ON THE USE OF LOANS
40 FROM THE FUND, AS APPROPRIATE, FOR DEVELOPMENT, IMPLEMENTATION,
41 AND UPDATES OF CONSUMER PROTECTION AND EQUITY REQUIREMENTS TO
42 ENSURE THE SUCCESS OF THE PROGRAM, WHILE BALANCING:

43 (I) RISK TO LENDERS, UTILITIES, AND CUSTOMERS;
44 (II) EQUITY;
45 (III) REPAYMENT TERMS; AND

(IV) UTILITY BILL IMPACTS FOR PROGRAM PARTICIPANTS.

(b) THE OFFICE SHALL CONSULT WITH A PARTICIPATING UTILITY'S Y-DESIGNATED ADMINISTRATOR OR A PROGRAM ADMINISTRATOR NED BY THE OFFICE PURSUANT TO SECTION 24-38.5-604, AS PRIATE, IN DEVELOPING GUIDANCE ON PROGRAM REQUIREMENTS, DING CONSUMER PROTECTION AND EQUITY REQUIREMENTS, WHICH REMENTS MAY INCLUDE:

8 (I) THE RATE CLASSES OF UTILITY CUSTOMERS THAT MAY
9 PARTICIPATE IN THE UTILITY'S ON-BILL PROGRAM, WHICH RATE CLASSES
10 MUST, AT A MINIMUM, INCLUDE RESIDENTIAL CUSTOMERS;

11 (II) THE ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
12 MEASURES, AND ENERGY UPGRADES THAT THE UTILITY MAY AUTHORIZE
13 A PROGRAM PARTICIPANT TO FINANCE THROUGH AN ON-BILL PROGRAM;

14 (III) FOR UTILITIES THAT ARE NOT REGULATED BY THE
15 COMMISSION, THE METHOD THAT A PARTICIPATING UTILITY MAY USE TO
16 RECOVER PROGRAM ADMINISTRATION COSTS;

17 (IV) A REQUIREMENT THAT, FOR CONTRACTS WITH REGULATED
18 UTILITIES, THE FINAL CONTRACT CONFORMS WITH ANY FINAL APPROVAL
19 FROM THE COMMISSION;

20 (V) REQUIREMENTS REGARDING TRANSFERS OF FINANCIAL
21 RESPONSIBILITY WHEN AN OWNER OR TENANT VACATES A BUILDING
22 SUBJECT TO A UTILITY'S ON-BILL PROGRAM, INCLUDING:

23 (A) REQUIREMENTS REGARDING THE RECORDING OF A LIEN AND
24 THE CLEARING OF TITLE UPON REPAYMENT:

25 (B) A REQUIREMENT THAT A PROPERTY OWNER THAT IS A
26 PROGRAM PARTICIPANT SHALL AGREE TO NOTIFY A PROSPECTIVE
27 PURCHASER OF THE PROPERTY SUBJECT TO AN ON-BILL PROGRAM OF ANY
28 REPAYMENT OBLIGATIONS ON THE UTILITY BILL RELATED TO THE
29 PARTICIPATION IN THE PROGRAM; AND

30 (C) A REQUIREMENT THAT A PROPERTY OWNER THAT IS A
31 PARTICIPATING CUSTOMER OR IS THE OWNER OF A PROPERTY FOR WHICH
32 THERE IS AN EXISTING REPAYMENT OBLIGATION ON THE UTILITY BILL
33 RELATED TO PARTICIPATION IN A PROGRAM SHALL AGREE TO NOTIFY A
34 PROSPECTIVE TENANT OF THE ON-BILL REPAYMENT OBLIGATION; AND

35 (VI) A REQUIREMENT THAT A TENANT SHALL AGREE TO NOTIFY
36 THEIR LANDLORD THAT THE TENANT IS PARTICIPATING IN A UTILITY
37 ON-BILL PROGRAM.

38 (4) THE OFFICE MAY PLACE CONTRACT LIMITATIONS ON THE USE
39 OF LOANS FROM THE FUND, AS APPROPRIATE, FOR THE DEVELOPMENT,
40 IMPLEMENTATION, AND UPDATES OF CONSUMER PROTECTION AND EQUITY
41 REQUIREMENTS TO ENSURE THE SUCCESS OF THE PROGRAM, WHILE
42 BALANCING RISK TO LENDERS, UTILITIES, AND CUSTOMERS; EQUITY;
43 REPAYMENT TERMS; AND UTILITY BILL IMPACTS FOR PROGRAM
44 PARTICIPANTS. THE OFFICE SHALL CONSULT WITH THE PARTICIPATING
45 UTILITY, THE PARTICIPATING UTILITY'S UTILITY-DESIGNATED

1 ADMINISTRATOR, OR A PROGRAM ADMINISTRATOR SELECTED BY THE
2 OFFICE PURSUANT TO SECTION 24-38.5-604, AS APPROPRIATE, IN
3 DEVELOPING THE CONSUMER PROTECTION AND EQUITY REQUIREMENTS,
4 WHICH REQUIREMENTS MAY INCLUDE:

5 (a) QUALITY INSTALLATION VERIFICATION, INCLUDING THE
6 CERTIFICATIONS AND RELATED ENFORCEMENT MECHANISMS NEEDED TO
7 ENSURE AND VERIFY QUALITY INSTALLATIONS;

8 (b) PROCEDURES FOR ADDRESSING FAILING EQUIPMENT;

9 (c) VENDOR OR CONTRACTOR SELECTION AND APPROVAL
10 PROCESSES, INCLUDING LABOR STANDARDS AND A PROCESS FOR
11 ENFORCEMENT OF THE LABOR STANDARDS;

12 (d) ELIGIBILITY REQUIREMENTS FOR PROGRAM PARTICIPANTS;

13 (e) PROTECTIONS FOR TENANTS WHOSE LANDLORDS FINANCE
14 ENERGY EFFICIENCY MEASURES THROUGH A PROGRAM, INCLUDING:

15 (I) REQUIREMENTS TO NOTIFY TENANTS OF REPAYMENT
16 OBLIGATIONS IN LEASE AGREEMENTS;

17 (II) PROCESSES FOR PROPERTY OWNERS, TENANTS, OR BOTH TO
18 INSTALL MEASURES AT TENANT-OCCUPIED LOCATIONS; AND

19 (III) OTHER MEASURES AS APPROPRIATE;

20 (f) PROGRAM DESIGN TO MINIMIZE THE RISK OF UTILITY
21 DISCONNECTION;

22 (g) THE FINANCING TERMS AVAILABLE FOR DIFFERENT TYPES OF
23 ENERGY EFFICIENCY MEASURES AND ENERGY UPGRADES; AND

24 (h) THE TREATMENT OF TRANSFER OF PROPERTY OWNERSHIP,
25 TREATMENT OF DEBTS TO A UTILITY, AND PROPERTY TREATMENT AT
26 TRANSFER.

27 (5) (a) EXCEPT AS PROVIDED IN SUBSECTION (5)(b) OF THIS
28 SECTION, ON OR BEFORE THE FIRST JANUARY 31 FOLLOWING THE FIFTH
29 COMPLETED YEAR OF PROGRAM IMPLEMENTATION, OR ONCE A UTILITY HAS
30 FINANCED AT LEAST TEN MILLION DOLLARS IN ENERGY EFFICIENCY
31 MEASURES, ELECTRIFICATION MEASURES, OR ENERGY UPGRADES WITH
32 FUNDING FROM THE ON-BILL CASH FUND, WHICHEVER OCCURS FIRST, AND
33 ON OR BEFORE JANUARY 31 OF EACH OF THE THREE YEARS THEREAFTER,
34 A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR
35 SHALL PREPARE AND SUBMIT TO THE OFFICE A REPORT THAT TRACKS THE
36 TOTAL AMOUNT OF ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
37 MEASURES, AND ENERGY UPGRADES FINANCED; THE NUMBER OF
38 PARTICIPATING CUSTOMERS BROKEN DOWN BY INTEREST RATE, AS
39 APPLICABLE; AND CUMULATIVE PROGRAM PARTICIPATION DEFAULT RATES,
40 UTILITY DISCONNECTIONS, COMPLIANCE WITH LABOR STANDARDS, AND
41 OTHER METRICS THAT THE OFFICE DEEMS RELEVANT TO THE CONSUMER
42 PROTECTION AND EQUITY REQUIREMENTS FOR THE PROGRAM. THE OFFICE
43 SHALL MAKE THE REPORTS PUBLICLY AVAILABLE ON ITS PUBLIC WEBSITE.

44 (b) A REGULATED UTILITY THAT IS REQUIRED TO FILE A REPORT
45 WITH THE COMMISSION REGARDING AN ON-BILL PROGRAM NEED NOT

1 PREPARE AND SUBMIT TO THE OFFICE A REPORT PURSUANT TO SUBSECTION
2 (5)(a) OF THIS SECTION.

3 **24-38.5-604. Authority to contract with program
4 administrators - selection criteria - program design requirements.**

5 (1) IN ACCORDANCE WITH THE REQUIREMENTS OF THE "PROCUREMENT
6 CODE", ARTICLES 101 TO 112 OF THIS TITLE 24, THE OFFICE MAY
7 CONTRACT WITH ONE OR MORE INDEPENDENT THIRD-PARTY ENTITIES TO
8 SERVE AS PROGRAM ADMINISTRATORS TO FACILITATE AND HELP
9 ADMINISTER UTILITY ON-BILL PROGRAMS FOR PARTICIPATING UTILITIES.
10 THE OFFICE SHALL CONTRACT ONLY WITH ONE OR MORE OF THE
11 FOLLOWING ENTITIES TO SERVE AS PROGRAM ADMINISTRATORS:

12 (a) A BANK;
13 (b) A NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL
14 INSTITUTION;
15 (c) A BUSINESS DEVELOPMENT CORPORATION; OR
16 (d) A NONPROFIT ORGANIZATION.

17 (2) IN SELECTING A PROGRAM ADMINISTRATOR PURSUANT TO THIS
18 SECTION, THE OFFICE SHALL CONSIDER THE ABILITY OF A POTENTIAL
19 PROGRAM ADMINISTRATOR TO EXPAND THE PROGRAM, INCLUDING BY
20 EXPANDING THE CAPITAL AVAILABLE FOR USE IN THE PROGRAM THROUGH
21 PUBLIC AND PRIVATE CAPITAL SOURCES.

22 (3) THE OFFICE, IN CONSULTATION WITH A SELECTED PROGRAM
23 ADMINISTRATOR, MAY DETERMINE THE DESIGN REQUIREMENTS FOR THE
24 PROGRAM, WITH THE GOAL OF OFFERING CUSTOMERS THE LOWEST
25 POSSIBLE INTEREST RATES, INCLUDING:

26 (a) A REQUIREMENT THAT A PARTICIPATING UTILITY'S ON-BILL
27 PROGRAM PROVIDE FOR STANDARDIZATION OF ASPECTS OF THE UTILITY'S
28 PROGRAM, SUCH AS FORMS USED TO APPLY FOR PARTICIPATION IN THE
29 UTILITY'S PROGRAM, BUT OTHERWISE ALLOW FOR FLEXIBILITY IN
30 IMPLEMENTING THE UTILITY'S PROGRAM TO ALLOW FOR DIFFERENT
31 REQUIREMENTS BASED ON WHICH ENERGY EFFICIENCY MEASURES,
32 ELECTRIFICATION MEASURES, AND ENERGY UPGRADES A PROGRAM
33 PARTICIPANT CHOOSES;

34 (b) A REQUIREMENT THAT THE ENERGY EFFICIENCY MEASURES,
35 ELECTRIFICATION MEASURES, AND ENERGY UPGRADES AUTHORIZED FOR
36 A PARTICIPATING UTILITY'S ON-BILL PROGRAM COMPLY WITH PROGRAM
37 REQUIREMENTS;

38 (c) A REQUIREMENT THAT A PROGRAM ADMINISTRATOR PURSUE
39 OTHER SOURCES OF PUBLIC AND PRIVATE CAPITAL, WITH A GOAL OF
40 INCREASING AVAILABLE STATEWIDE FUNDING FOR ON-BILL PROGRAMS TO
41 ONE BILLION DOLLARS BY 2030;

42 (d) A REQUIREMENT TO REDUCE CUSTOMER INTEREST RATES TO
43 THE LOWEST RATES POSSIBLE AND TO REDUCE RISK OF DEFAULT; AND

44 (e) REQUIREMENTS REGARDING HOW AVAILABLE REBATES MAY BE
45 APPLIED TO AN ENERGY EFFICIENCY MEASURE, ELECTRIFICATION

1 MEASURE, OR ENERGY UPGRADE PROJECT BEFORE FINANCING.

2 **24-38.5-605. Transfers of financial responsibility - notification
3 required - property seller's obligation - utility's obligation.**

4 (1) PARTICIPATION IN A UTILITY'S ON-BILL PROGRAM IS TIED TO THE
5 LOCATION OF THE UTILITY METER ASSOCIATED WITH A UTILITY
6 CUSTOMER'S ACCOUNT WHERE THE ENERGY EFFICIENCY MEASURES,
7 ELECTRIFICATION MEASURES, OR ENERGY UPGRADES ARE INSTALLED. IF A
8 PROGRAM PARTICIPANT MOVES TO A NEW LOCATION, THE PROGRAM
9 PARTICIPANT'S PARTICIPATION IN THE ON-BILL PROGRAM DOES NOT
10 TRANSFER TO THE PROGRAM PARTICIPANT'S NEW LOCATION. A PROGRAM
11 MAY BE STRUCTURED SUCH THAT, FOR REAL PROPERTY THAT IS THE SITE
12 OF A UTILITY METER THAT IS ASSOCIATED WITH PARTICIPATION IN THE
13 PROGRAM, THE FINANCIAL RESPONSIBILITY TO MAKE ANY REMAINING
14 REPAYMENTS UNDER THE ON-BILL PROGRAM TRANSFERS TO THE
15 SUCCESSOR PROGRAM PARTICIPANT.

16 (2) FINANCIAL RESPONSIBILITY DESCRIBED IN SUBSECTION (1) OF
17 THIS SECTION APPLIES ONLY TO THE PROGRAM PARTICIPANT RESPONSIBLE
18 FOR THE UTILITY METER, AND NOT TO ALL OF THE REAL PROPERTY.

19 (3) IF A PROGRAM PARTICIPANT THAT IS AN OWNER OF REAL
20 PROPERTY AT WHICH ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
21 MEASURES, OR ENERGY UPGRADES HAVE BEEN IMPLEMENTED PURSUANT
22 TO PARTICIPATION IN THE PROGRAM INTENDS TO SELL THE REAL PROPERTY,
23 AND THE FULL COST OF THE ENERGY EFFICIENCY MEASURES,
24 ELECTRIFICATION MEASURES, OR ENERGY UPGRADES HAVE NOT BEEN
25 FULLY REPAYED, THE OWNER SHALL:

26 (a) PROVIDE A PROSPECTIVE PURCHASER OF THE REAL PROPERTY
27 WRITTEN NOTICE OF THE REMAINING PAYMENTS UNDER THE ON-BILL
28 PROGRAM UPON PURCHASING THE REAL PROPERTY. THE WRITTEN NOTICE
29 MUST BE PROVIDED BEFORE THE PROSPECTIVE PURCHASER MAKES AN
30 OFFER TO PURCHASE THE REAL PROPERTY AND MUST INCLUDE:

31 (I) INFORMATION THAT THE REAL PROPERTY IS SUBJECT TO UTILITY
32 ON-BILL REPAYMENTS;

33 (II) CONTACT INFORMATION FOR A PERSON INVOLVED IN THE
34 UTILITY'S ON-BILL PROGRAM; AND

35 (III) INFORMATION REGARDING THE UTILITY ON-BILL REPAYMENTS,
36 INCLUDING:

37 (A) THE TOTAL AMOUNT OF THE ORIGINAL COSTS FOR WHICH
38 UTILITY ON-BILL REPAYMENTS WERE ESTABLISHED;

39 (B) THE APPROXIMATE REMAINING BALANCE OF THE COSTS;

40 (C) THE ON-BILL REPAYMENT SCHEDULE, INCLUDING THE
41 MONTHLY REPAYMENT OBLIGATION;

42 (D) THE PRODUCTS AND SERVICES PROVIDING ENERGY EFFICIENCY
43 MEASURES, ELECTRIFICATION MEASURES, OR ENERGY UPGRADES THAT
44 WERE INSTALLED THROUGH THE UTILITY'S ON-BILL PROGRAM; AND

45 (E) ANY RISKS ASSOCIATED WITH NONPAYMENT OF THE ON-BILL

1 REPAYMENTS, INCLUDING DEBT WORKOUT PROCESSES AVAILABLE AND THE
2 POTENTIAL DISCONNECTION OF UTILITY SERVICE;

3 (b) NOTIFY THE UTILITY TO WHICH THE OWNER IS MAKING ON-BILL
4 REPAYMENTS UNDER THE ON-BILL PROGRAM IN THE EVENT THAT THE REAL
5 PROPERTY HAS BEEN LISTED FOR SALE; AND

6 (c) CONTINUE MAKING THE ON-BILL REPAYMENTS UNTIL
7 OWNERSHIP OF THE REAL PROPERTY HAS OFFICIALLY TRANSFERRED TO A
8 PURCHASER OF THE REAL PROPERTY.

9 (4) (a) UPON ACCEPTING AN OFFER TO PURCHASE REAL PROPERTY
10 DESCRIBED IN SUBSECTION (3) OF THIS SECTION, THE OWNER OF THE REAL
11 PROPERTY SHALL NOTIFY THE UTILITY TO WHICH THE OWNER IS MAKING
12 ON-BILL REPAYMENTS OF:

13 (I) THE PURCHASER'S NAME AND CONTACT INFORMATION;
14 (II) THE NAME AND CONTACT INFORMATION FOR ANY REAL ESTATE
15 AGENT REPRESENTING THE PURCHASER OF THE REAL PROPERTY; AND

16 (III) THE NAME AND CONTACT INFORMATION FOR THE TITLE AGENT
17 OR COMPANY THAT PROVIDES CLOSING AND SETTLEMENT SERVICES IN
18 RELATION TO THE REAL ESTATE TRANSACTION.

19 (b) THE UTILITY OR ITS DESIGNEE SHALL, UPON REQUEST, MAKE
20 INFORMATION AVAILABLE TO THE PURCHASER OR ANY REAL ESTATE
21 AGENT REPRESENTING THE PURCHASER AND THE TITLE AGENT OR
22 COMPANY TO INFORM THE PURCHASER AND TITLE AGENT OR COMPANY OF
23 THE TERMS AND CONDITIONS OF THE ON-BILL REPAYMENTS OWED TO THE
24 UTILITY UNDER THE UTILITY'S ON-BILL PROGRAM.

25 (5) IF AN OWNER OF A PROPERTY WITH AN OUTSTANDING BALANCE
26 FOR AN ON-BILL REPAYMENT OBLIGATION BEGINS TO RENT OR LEASE THE
27 PROPERTY, THE OWNER SHALL NOTIFY THE UTILITY AND SHALL FOLLOW
28 ALL REQUIREMENTS REGARDING TENANT CONSUMER PROTECTIONS THAT
29 THE UTILITY OR PROGRAM ADMINISTRATOR ESTABLISHES AND THAT WERE
30 INCLUDED IN THE FINANCIAL DOCUMENTS THAT THE OWNER SIGNED.

31 (6) THIS SECTION APPLIES ONLY TO A UTILITY'S ON-BILL PROGRAM
32 THAT RECEIVES FINANCING FROM THE ON-BILL CASH FUND EITHER
33 DIRECTLY OR THROUGH A UTILITY-DESIGNATED ADMINISTRATOR.

34 **24-38.5-606. Participation by utilities - program**
35 **administration.** (1) A UTILITY MAY SEEK MONEY FROM THE ON-BILL
36 CASH FUND USING A PROCESS APPROVED BY THE OFFICE TO ESTABLISH ITS
37 OWN ON-BILL PROGRAM OR SUPPORT AN EXISTING ON-BILL PROGRAM.

38 (2) A UTILITY PARTICIPATING IN THE PROGRAM PURSUANT TO THIS
39 SECTION MAY DESIGNATE AN ADMINISTRATOR WITH WRITTEN APPROVAL
40 FROM THE OFFICE OR MAY CHOOSE TO DESIGNATE THE PROGRAM
41 ADMINISTRATOR SELECTED BY THE OFFICE AS ITS UTILITY-DESIGNATED
42 ADMINISTRATOR.

43 (3) IF THE OFFICE CONTRACTS WITH A PROGRAM ADMINISTRATOR
44 PURSUANT TO SECTION 24-38.5-604, A UTILITY THAT, ON THE EFFECTIVE
45 DATE OF THIS SECTION, HAS AN EXISTING ON-BILL PROGRAM MAY SEEK

1 WRITTEN APPROVAL FROM THE OFFICE TO TRANSFER THE ADMINISTRATION
2 OF ITS ON-BILL PROGRAM TO THE PROGRAM ADMINISTRATOR.

3 **24-38.5-607. On-bill cash fund - creation.** (1) THE ON-BILL
4 CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
5 MONEY CREDITED TO THE FUND PURSUANT TO SECTION 38-13-801 (3.3)
6 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE
7 OR TRANSFER TO THE FUND.

8 (2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
9 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
10 ON-BILL CASH FUND TO THE FUND.

11 (3) MONEY IN THE ON-BILL CASH FUND IS CONTINUOUSLY
12 APPROPRIATED TO THE OFFICE TO DEFRAY THE COSTS INCURRED BY THE
13 OFFICE IN ADMINISTERING THE PROGRAM AND IN SUPPORTING UTILITY AND
14 BUILDING DECARBONIZATION.

15 (4) (a) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST
16 FUND TO A SEPARATE FUND ASSOCIATED WITH A STATE OFFICE IS AN
17 INTERFUND LOAN ACCORDING TO GOVERNMENTAL ACCOUNTING
18 STANDARDS BOARD CODIFICATION 1800.102, MEANING THAT THE LOAN IS
19 NOT CLASSIFIED AS REVENUE AND IS BOOKED AS AN INTERFUND
20 RECEIVABLE OR PAYABLE.

21 (b) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST FUND
22 TO A SEPARATE FUND ASSOCIATED WITH A STATE OFFICE IS NOT STATE
23 FISCAL YEAR SPENDING, AS DEFINED IN SECTION 24-77-102(17), OR STATE
24 REVENUES, AS DEFINED IN SECTION 24-77-103.6 (6)(c), AND DOES NOT
25 COUNT AGAINST EITHER THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED
26 BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR THE EXCESS
27 STATE REVENUES CAP, AS DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(G).

28 **SECTION 2.** In Colorado Revised Statutes, **add** 38-35.7-113 as
29 follows:

30 **38-35.7-113. Disclosure - utility on-bill program obligations.**
31 (1) FOR ANY REAL PROPERTY FOR WHICH THE OWNER OF THE PROPERTY
32 IS SUBJECT TO REPAYMENT OBLIGATIONS UNDER AN ON-BILL PROGRAM
33 DESCRIBED IN PART 6 OF ARTICLE 38.5 OF TITLE 24, THE OWNER OF THE
34 REAL PROPERTY SHALL PROVIDE A PROSPECTIVE PURCHASER OF THE
35 PROPERTY WRITTEN NOTICE IN COMPLIANCE WITH SECTION 24-38.5-605.
36 BEFORE ACCEPTING A PROSPECTIVE PURCHASER'S OFFER TO PURCHASE THE
37 REAL PROPERTY, THE SELLER SHALL PROVIDE THE PROSPECTIVE
38 PURCHASER THE WRITTEN NOTICE AND OBTAIN FROM THE PROSPECTIVE
39 PURCHASER A SIGNED COPY OF THE WRITTEN NOTICE ACKNOWLEDGING
40 RECEIPT OF THE NOTICE. THE PROSPECTIVE PURCHASER MAY SIGN THE
41 WRITTEN NOTICE ELECTRONICALLY.

42 (2) THIS SECTION APPLIES ONLY TO A UTILITY'S ON-BILL PROGRAM
43 THAT RECEIVES FINANCING FROM THE ON-BILL CASH FUND CREATED IN
44 SECTION 24-38.5-607 DIRECTLY OR THROUGH A UTILITY-DESIGNATED
45 ADMINISTRATOR.

1 **SECTION 3.** In Colorado Revised Statutes, **add** 40-2-140 as
2 follows:

3 **40-2-140. Utility on-bill program - review by commission -**
4 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
5 OTHERWISE REQUIRES:

6 (a) "COMBINED FUEL CUSTOMER" MEANS A RESIDENTIAL UTILITY
7 CUSTOMER THAT TAKES BOTH ELECTRIC AND GAS SERVICE FROM THE
8 UTILITY.

9 (b) "ON-BILL CASH FUND" HAS THE MEANING SET FORTH IN
10 SECTION 24-38.5-602 (7).

11 (c) "ON-BILL PROGRAM" HAS THE MEANING SET FORTH IN SECTION
12 24-38.5-602 (8).

13 (2) (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (2)(a)(II) OF THIS
14 SECTION, ON OR BEFORE DECEMBER 31, 2027, A GAS, ELECTRIC, OR
15 COMBINED FUEL UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
16 CUSTOMERS IN THE STATE SHALL FILE WITH THE COMMISSION AN
17 APPLICATION THAT EITHER PROPOSES TO USE FUNDING FROM THE ON-BILL
18 CASH FUND TO ESTABLISH OR MODIFY AN EXISTING ON-BILL PROGRAM OR
19 PROPOSES NOT TO USE FUNDING FROM THE ON-BILL CASH FUND.

20 (II) IF THE UTILITY PROPOSES NOT TO USE FUNDING FROM THE
21 ON-BILL CASH FUND, THE UTILITY'S FILING MUST DEMONSTRATE WHY THE
22 UTILITY'S CUSTOMERS WOULD NOT BENEFIT FROM THE UTILITY'S USE OF
23 THE FUNDING.

24 (b) UNLESS OTHERWISE PART OF A UTILITY ON-BILL PROGRAM
25 APPROVED BY THE COMMISSION AND NOT IN CONFLICT WITH ANY
26 COMMISSION-APPROVED ON-BILL PROGRAM OR OTHER COMMISSION
27 DECISION, A UTILITY'S FILING SUBMITTED PURSUANT TO SUBSECTION
28 (2)(a)(I) OF THIS SECTION MUST:

29 (I) PROPOSE TO MAKE THE UTILITY'S ON-BILL PROGRAM AVAILABLE
30 TO ELECTRIC-ONLY RETAIL CUSTOMERS, GAS-ONLY RETAIL CUSTOMERS,
31 AND COMBINED FUEL RETAIL CUSTOMERS;

32 (II) DESCRIBE HOW THE UTILITY WOULD USE MONEY FROM THE
33 ON-BILL CASH FUND TO IMPLEMENT OR MODIFY AN ON-BILL PROGRAM;

34 (III) DESCRIBE HOW THE UTILITY WILL OFFER THE ON-BILL
35 PROGRAM TO ITS RESIDENTIAL CUSTOMERS;

36 (IV) INCLUDE INFORMATION CONCERNING HOW THE UTILITY WILL
37 ALLOW NONPROFIT ORGANIZATIONS, STATE AND LOCAL GOVERNMENTS,
38 MULTIFAMILY DWELLINGS, AND HOMEOWNERS' ASSOCIATIONS TO
39 PARTICIPATE IN THE ON-BILL PROGRAM; AND

40 (V) DESCRIBE HOW THE UTILITY MAY USE FUNDING FROM THE
41 ON-BILL CASH FUND OR OTHER SOURCES OF FUNDING TO REDUCE INTEREST
42 RATES, ESPECIALLY FOR CUSTOMERS IN LOW- AND MODERATE-INCOME
43 HOUSEHOLDS.

44 (3) A UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
45 CUSTOMERS IN THE STATE MAY RECOVER ON-BILL PROGRAM COSTS IN

1 ACCORDANCE WITH PART 6 OF ARTICLE 38.5 OF TITLE 24. THE UTILITY
2 SHALL NOT RECOVER ADMINISTRATIVE COSTS THROUGH THE INTEREST
3 RATE ESTABLISHED FOR MONEY MADE AVAILABLE THROUGH THE ON-BILL
4 PROGRAM. A UTILITY MAY RECOVER ADMINISTRATIVE COSTS APPROVED
5 BY THE COMMISSION. A UTILITY MAY PROPOSE OR MAY MAINTAIN A
6 METHOD TO RECOVER APPROVED ADMINISTRATIVE COSTS, INCLUDING THE
7 USE OF AN EXISTING RIDER, AS APPROVED BY THE COMMISSION.

8 (4) A UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
9 CUSTOMERS IN THE STATE THAT, BY APRIL 1, 2026, DOES NOT HAVE AN
10 EXISTING ON-BILL PROGRAM THAT HAS BEEN APPROVED BY THE
11 COMMISSION SHALL FILE THE APPLICATION DESCRIBED IN SUBSECTION
12 (2)(a) OF THIS SECTION ON OR BEFORE DECEMBER 31, 2026.

13 (5) (a) THE COMMISSION SHALL REVIEW AND APPROVE,
14 DISAPPROVE, OR APPROVE WITH MODIFICATIONS A UTILITY'S APPLICATION
15 SUBMITTED PURSUANT TO SUBSECTION (2) OF THIS SECTION. IN REVIEWING
16 AN APPLICATION, THE COMMISSION SHALL DETERMINE WHETHER THE
17 UTILITY'S PROPOSED PLAN FOR PARTICIPATION IN A UTILITY ON-BILL
18 PROGRAM IS IN THE PUBLIC INTEREST, AND, IF THE COMMISSION
19 DETERMINES THAT THE PROPOSED PLAN IS NOT IN THE PUBLIC INTEREST,
20 THE COMMISSION MAY MODIFY SPECIFIC PORTIONS OF THE PROPOSED PLAN
21 TO BRING THE PROPOSED PLAN INTO ALIGNMENT WITH THE PUBLIC
22 INTEREST.

23 (b) IF THE COMMISSION, PURSUANT TO THIS SECTION OR THROUGH
24 A COMMISSION DECISION, APPROVES PARTICIPATION IN A UTILITY ON-BILL
25 PROGRAM FOR NONPROFIT ORGANIZATIONS OR NONRESIDENTIAL
26 CUSTOMERS, THE REQUIREMENTS OF SECTIONS 40-3.2-105.5 AND
27 40-3.2-105.6 APPLY TO ANY WORK UNDERTAKEN AS PART OF THE ON-BILL
28 PROGRAM.

29 **SECTION 4.** In Colorado Revised Statutes, 38-13-801, **amend**
30 (1)(b); and **add** (3.3) as follows:

31 **38-13-801. Unclaimed property trust fund - creation -**
32 **payments - interest - appropriations - records - rules - legislative**
33 **declaration.** (1)(b) Except as provided in subsections (2), (3), (3.3), and
34 (3.5) of this section, the principal of the trust fund shall not be expended
35 except to pay claims made pursuant to this article 13. Money constituting
36 the principal of the trust fund is not fiscal year spending of the state for
37 purposes of section 20 of article X of the state constitution and is not
38 subject to appropriation by the general assembly.

39 (3.3) (a) AFTER RESERVING THE AMOUNTS DESCRIBED IN
40 SUBSECTION (3)(b) OF THIS SECTION AND TRANSMITTING THE MONEY
41 NECESSARY FOR THE PURPOSES DESCRIBED IN SUBSECTION (3)(a) OF THIS
42 SECTION, THE STATE TREASURER SHALL CREDIT TO THE ON-BILL CASH
43 FUND CREATED IN SECTION 24-38.5-607 AN AMOUNT OF PRINCIPAL AND
44 INTEREST IN THE UNCLAIMED PROPERTY TRUST FUND THAT IS SUFFICIENT,
45 AS DETERMINED BY THE COLORADO ENERGY OFFICE PURSUANT TO

1 SECTION 24-38.5-603 (2), TO IMPLEMENT PART 6 OF ARTICLE 38.5 OF TITLE
2 24.

3 (b) ON JANUARY 1, 2026, THE STATE TREASURER SHALL MAKE AN
4 INTEREST-FREE LOAN IN THE AMOUNT OF ONE HUNDRED MILLION DOLLARS
5 FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND
6 CREATED IN SECTION 24-38.5-607. THE COLORADO ENERGY OFFICE SHALL:

7 (I) USE THE LOAN TO SUPPORT UTILITY ON-BILL PROGRAMS, AS
8 DESCRIBED IN SECTION 24-38.5-603; AND

9 (II) PAY THE LOAN BACK TO THE UNCLAIMED PROPERTY TRUST
10 FUND BY JANUARY 1, 2046. THE LOAN REPAYMENT IS SUBJECT TO FUTURE
11 APPROPRIATION BY THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED
12 OR CONSTRUED AS CREATING INDEBTEDNESS OF THE STATE WITHIN THE
13 MEANING OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE
14 CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

15 (c) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST FUND
16 TO ANOTHER STATE FUND SHALL BE REPAYED WITHIN TWENTY YEARS.

17 **SECTION 5. Safety clause.** The general assembly finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety or for appropriations for
20 the support and maintenance of the departments of the state and state
21 institutions.".

22 Page 1, line 101, strike "REPAYMENT".

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