

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0319.01 Clare Haffner x6137

HOUSE BILL 26-1007

HOUSE SPONSORSHIP

Smith and Stewart R.,

SENATE SPONSORSHIP

Kipp,

House Committees
Energy & Environment

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO IMPROVE A CUSTOMER'S ABILITY TO USE**
102 **DISTRIBUTED ENERGY RESOURCES.**

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 defines, and creates requirements for, portable-scale solar generation devices. In addition, the bill prohibits a provider of retail electric service or wholesale energy from, among other things, requiring a customer to obtain the provider's approval before installing or using a portable-scale solar generation device. The bill also prohibits a person from restricting, prohibiting, or imposing unreasonable conditions on the

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

installation, use, or operation of a portable-scale solar generation device.

Under current law, a utility that is subject to regulation by the public utilities commission (commission) must allow for customer ownership and use of a meter collar adapter through the utility's interconnection standards. The bill requires the commission, on or before December 31, 2026, to revise existing commission interconnection rules to explicitly require commission-regulated utilities to allow for customer ownership and use of meter collar adapters and to prohibit commission-regulated utilities from requiring a production meter as a condition of interconnection for a customer-sited distributed energy resource.

The bill requires municipally owned utilities and cooperative electric associations to also allow for customer ownership and use of meter collar adapters and prohibits municipally owned utilities and cooperative electric associations from requiring a production meter as a condition of interconnection for a customer-sited distributed energy resource.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) With weather-related power outages on the rise, distributed
5 generation systems, such as residential solar energy systems, create a
6 clean, reliable energy source that, especially when paired with an energy
7 storage system, is less vulnerable to natural disasters and grid failures;

8 (b) Customers across the state are increasingly wanting to have
9 more freedom and choice over their energy decisions and to increase the
10 self-reliance and self-sufficiency of their families and communities;

11 (c) Portable-scale solar generation devices plug in directly to a
12 wall outlet and immediately provide energy to a home. These devices can
13 play a meaningful role in addressing energy affordability statewide, and
14 they are ideal for any small space, such as an apartment balcony or a
15 small patio.

16 (d) While clean energy technologies, including portable-scale

1 solar generation devices, are becoming increasingly available for
2 customers, interconnection fees and other utility processes can make the
3 adoption of such technologies unnecessarily costly and burdensome;

4 (e) It is the policy of the state and the intent of the general
5 assembly to encourage the use of portable-scale solar generation devices
6 and to limit obstacles to customers' use of these devices; and

7 (f) Increasing renewable energy generation and allowing
8 customers across the state to have more freedom, choice, and
9 self-sufficiency over their energy decisions through the use of
10 portable-scale solar generation devices is a matter of statewide concern.

11 (2) The general assembly further finds that:

12 (a) Customer-sited distributed energy resources, including rooftop
13 solar and energy storage, are important tools to help customers manage
14 bills, improve resilience, and support achievement of the state's clean
15 energy and climate goals;

16 (b) UL labeling and listing, building codes, and fire codes ensure
17 consumer safety for renewable energy devices;

18 (c) Ensuring efficient, low-cost, and timely interconnection of
19 distributed energy resources is a matter of statewide concern;

20 (d) Use of meter collar adapters can reduce or avoid costly and
21 time-consuming service panel upgrades when interconnecting distributed
22 energy resources, thereby lowering the costs of and barriers to
23 customer-sited distributed energy resources for households and small
24 businesses;

25 (e) Cooperative electric associations are required to comply with
26 the interconnection rules adopted by the public utilities commission, and
27 municipally owned utilities are required to adopt interconnection

1 standards that are functionally similar to those established by the public
2 utilities commission;

3 (f) However, existing law does not explicitly require that
4 cooperative electric associations and municipally owned utilities must
5 allow for customer use of meter collar adapters; and

6 (g) Therefore, additional statutory direction is needed to ensure
7 that all utilities in the state fully and efficiently accommodate the use of
8 meter collar adapters.

9 (3) The general assembly further finds that requiring separate
10 production meters for customer-sited distributed energy resources in
11 circumstances where net energy consumption can be accurately measured
12 at the customer's billing meter adds unnecessary cost and complexity that
13 discourage beneficial distributed energy resources.

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

16 **40-2-140. Portable-scale solar generation devices -**
17 **requirements - exemptions - definitions.**

18 (1) AS USED IN THIS SECTION:

19 (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
20 FORTH IN SECTION 38-33.3-103 (8).

21 (b) "ENERGY EFFICIENCY MEASURE" HAS THE MEANING SET FORTH
22 IN SECTION 38-33.3-106.7 (1)(b).

23 (c) "LIMITED COMMON ELEMENT" HAS THE MEANING SET FORTH IN
24 SECTION 38-33.3-103 (19).

25 (d) "PERSON" HAS THE MEANING SET FORTH IN SECTION 2-4-401
26 (8).

27 (e) "PORTABLE-SCALE SOLAR GENERATION DEVICE" OR "DEVICE"

1 MEANS A SINGLE PHOTOVOLTAIC SYSTEM PER ADDRESS AND ASSOCIATED
2 EQUIPMENT THAT:

3 (I) IS DESIGNED OR COMMISSIONED TO SUPPLY A MAXIMUM POWER
4 OUTPUT OF NOT MORE THAN ONE THOUSAND NINE HUNDRED TWENTY
5 WATTS TO THE ELECTRIC GRID;

6 (II) IS LABELED AND LISTED BY A NATIONALLY RECOGNIZED
7 TESTING LABORATORY; AND

8 (III) COMPLIES WITH GENERALLY APPLICABLE LOCAL BUILDING
9 CODE AND FIRE CODE REQUIREMENTS.

10 (2) A PORTABLE-SCALE SOLAR GENERATION DEVICE MUST INCLUDE
11 A FEATURE THAT PREVENTS THE DEVICE FROM ENERGIZING THE ELECTRIC
12 GRID DURING A POWER OUTAGE.

13 (3) A CUSTOMER THAT USES A PORTABLE-SCALE SOLAR
14 GENERATION DEVICE SHALL NOT CONNECT MORE THAN ONE DEVICE TO A
15 SINGLE WALL OUTLET PER ADDRESS.

16 (4) (a) A PROVIDER OF RETAIL ELECTRIC SERVICE OR WHOLESALE
17 ENERGY SHALL NOT REQUIRE A CUSTOMER TO:

18 (I) OBTAIN THE PROVIDER'S APPROVAL BEFORE INSTALLING OR
19 USING A PORTABLE-SCALE SOLAR GENERATION DEVICE;

20 (II) PAY THE PROVIDER A FEE RELATED TO A PORTABLE-SCALE
21 SOLAR GENERATION DEVICE; OR

22 (III) INSTALL ANY ADDITIONAL CONTROLS OR EQUIPMENT BEYOND
23 WHAT IS INTEGRATED INTO A PORTABLE-SCALE SOLAR GENERATION
24 DEVICE PURSUANT TO THE UL LISTING OF THE DEVICE.

25 (b) A PROVIDER OF RETAIL ELECTRIC SERVICE OR WHOLESALE
26 ENERGY MAY REQUIRE A CUSTOMER TO NOTIFY THE PROVIDER OF THE
27 CUSTOMER'S USE OF A PORTABLE-SCALE SOLAR GENERATION DEVICE BY

1 INDICATING THE PRESENCE AND SIZE OF THE DEVICE IN KILOWATTS.

2 (5) A PORTABLE-SCALE SOLAR GENERATION DEVICE THAT HAS A
3 POWER OUTPUT OF NOT MORE THAN THREE HUNDRED NINETY-ONE WATTS
4 IS EXEMPT FROM:

5 (a) THE SOLAR PHOTOVOLTAIC INSTALLATION REQUIREMENTS
6 DESCRIBED IN SECTION 40-2-128; AND

7 (b) ANY BUILDING SAFETY CODE PROVISIONS OR PRODUCT LISTING
8 PROVISIONS THAT WOULD REQUIRE ALTERATIONS TO THE BUILDING'S
9 ELECTRICAL WIRING.

10 (6) ON AND AFTER JANUARY 1, 2027, A PERSON SHALL NOT SELL,
11 LEASE, OR RENT A PORTABLE-SCALE SOLAR GENERATION DEVICE THAT HAS
12 A POWER OUTPUT OF NOT MORE THAN THREE HUNDRED NINETY-ONE
13 WATTS IN THE STATE AND IS NOT UL LABELED AND LISTED.

14 (7) ON AND AFTER JANUARY 1, 2027:

15 (a) A PERSON SHALL NOT DIRECTLY OR INDIRECTLY PROHIBIT THE
16 INSTALLATION, USE, OR OPERATION OF A PORTABLE-SCALE SOLAR
17 GENERATION DEVICE;

18 (b) A COVENANT OR RESTRICTION THAT EXPLICITLY OR
19 INDIRECTLY PROHIBITS OR UNREASONABLY RESTRICTS THE INSTALLATION,
20 USE, OR OPERATION OF A PORTABLE-SCALE SOLAR GENERATION DEVICE IS
21 UNENFORCEABLE AND VOID AS A MATTER OF PUBLIC POLICY; AND

22 (c) A PORTABLE-SCALE SOLAR GENERATION DEVICE IS CONSIDERED
23 AN ENERGY EFFICIENCY MEASURE FOR THE PURPOSES OF SECTION
24 38-33.3-106.7; EXCEPT THAT, NOTWITHSTANDING SECTION 38-33.3-106.7

25 (3)(d), A REAL PROPERTY OWNER MAY INSTALL, USE, OR OPERATE A
26 DEVICE ON REAL PROPERTY THAT IS A LIMITED COMMON ELEMENT OF A
27 COMMON INTEREST COMMUNITY.

1 (8) A PROVIDER OF RETAIL ELECTRIC SERVICE OR WHOLESALE
2 ENERGY IS NOT LIABLE FOR ANY DAMAGE OR INJURY CAUSED BY A
3 PORTABLE-SCALE SOLAR GENERATION DEVICE.

4 SECTION 3. In Colorado Revised Statutes, 40-2-124, amend
5 (7)(b)(IV); and add (1.3) as follows:

6 40-2-124. Renewable energy standards - qualifying retail and
7 wholesale utilities - definitions - net metering - legislative declaration
8 - rules.

9 (1.3) ON OR BEFORE DECEMBER 31, 2026, THE COMMISSION SHALL
10 REVISE EXISTING RULES TO:

11 (a) REQUIRE A QUALIFYING RETAIL UTILITY TO ALLOW FOR
12 CUSTOMER OWNERSHIP AND USE OF A METER COLLAR ADAPTER THAT IS
13 APPROVED BY A NATIONALLY RECOGNIZED TESTING LABORATORY TO
14 PERMIT THE INTERCONNECTION OF DISTRIBUTED ENERGY RESOURCES AND
15 FOR ELECTRICAL ISOLATION OF THE CUSTOMER'S SITE FOR ENERGY BACKUP
16 PURPOSES;

17 (b) REQUIRE A QUALIFYING RETAIL UTILITY TO HAVE A
18 TRANSPARENT PROCESS FOR APPROVING CUSTOMER-OWNED METER
19 COLLAR ADAPTERS THAT MEET MINIMUM SAFETY REQUIREMENTS. THE
20 APPROVAL PROCESS MUST TAKE NO MORE THAN SIXTY DAYS AFTER THE
21 DATE OF SUBMISSION FOR APPROVAL OF A SPECIFIC METER COLLAR
22 ADAPTER BY THE PROPOSING PARTY. A QUALIFYING RETAIL UTILITY SHALL
23 POST ON ITS WEBSITE A PUBLIC LIST OF APPROVED METER COLLAR
24 ADAPTERS AND UPDATE THE LIST AT LEAST ANNUALLY. A QUALIFYING
25 RETAIL UTILITY SHALL APPROVE A PROPOSED CUSTOMER-OWNED METER
26 COLLAR ADAPTER THAT:

27 (I) IS CERTIFIED FOR COMPLIANCE WITH THE STANDARDS

1 REFERENCED IN UL 414 AND OTHER APPLICABLE STANDARDS, AS
2 DETERMINED BY A NATIONALLY RECOGNIZED TESTING LABORATORY, AND
3 IS RATED ADEQUATELY FOR THE CONNECTED EQUIPMENT; AND

4 (II) DOES NOT IMPEDE ACCESS TO THE SEALED METER SOCKET
5 COMPARTMENT OR PULL SECTION OF THE SERVICE ENTRANCE STATION;

6 (c) IF THE INSTALLATION OF AN APPROVED METER COLLAR
7 ADAPTER REQUIRES REMOVAL OF THE METER, ALLOW A QUALIFYING
8 RETAIL UTILITY TO REQUIRE THAT THE INSTALLATION WORK BE
9 PERFORMED BY THE QUALIFYING RETAIL UTILITY OR A LICENSED
10 ELECTRICAL CONTRACTOR OR OTHER THIRD PARTY APPROVED BY THE
11 QUALIFYING RETAIL UTILITY IN A TIMELY MANNER AND AT NO ADDITIONAL
12 COST TO THE CUSTOMER;

13 (d) REQUIRE A QUALIFYING RETAIL UTILITY TO ESTABLISH AND
14 PUBLISH IN THE QUALIFYING RETAIL UTILITY'S TARIFFS A PROCESS FOR A
15 CUSTOMER TO REQUEST AND INSTALL A METER COLLAR ADAPTER, WHICH
16 PROCESS MUST TAKE NO LONGER THAN THIRTY DAYS AND NOT BE UNDULY
17 BURDENSOME TO THE CUSTOMER;

18 (e) REQUIRE A QUALIFYING RETAIL UTILITY TO FACILITATE THE
19 INSTALLATION OF A METER COLLAR ADAPTER BY AN ELECTRICAL
20 CONTRACTOR REGISTERED WITH THE STATE ELECTRICAL BOARD PURSUANT
21 TO SECTION 12-115-110 AND REQUIRE THAT ALL ELECTRICAL WORK BE
22 PERFORMED BY A MASTER ELECTRICIAN, JOURNEYMAN ELECTRICIAN,
23 RESIDENTIAL WIREMAN, OR PROPERLY SUPERVISED APPRENTICE; AND

24 (f) PROHIBIT A QUALIFYING RETAIL UTILITY FROM REQUIRING A
25 PRODUCTION METER AS A CONDITION OF INTERCONNECTION FOR A
26 CUSTOMER-SITED DISTRIBUTED ENERGY RESOURCE THAT HAS A POWER
27 OUTPUT OF NO MORE THAN TEN KILOWATTS.

1 (7) (b) Each municipally owned utility shall allow a
2 customer-generator's retail electricity consumption to be offset by the
3 electricity generated from eligible energy resources on the
4 customer-generator's side of the meter that are interconnected with the
5 facilities of the municipally owned utility, subject to the following:

6 (IV) **Interconnection standards.** Each municipally owned utility
7 shall adopt and post small generation interconnection standards and
8 insurance requirements that are functionally similar to those established
9 in the rules ~~promulgated~~ ADOPTED by the ~~public utilities~~ commission
10 pursuant to this section; except that the municipally owned utility may
11 reduce or waive any of the insurance requirements. If any
12 customer-generator subject to the size specifications specified in
13 ~~subparagraph (V) of this paragraph (b)~~ SUBSECTION (7)(b)(V) OF THIS
14 SECTION is denied interconnection by the municipally owned utility, the
15 utility shall provide a written technical or economic explanation of such
16 denial to the customer. A MUNICIPALLY OWNED UTILITY SHALL NOT
17 REQUIRE A PRODUCTION METER AS A CONDITION FOR INTERCONNECTION
18 FOR A CUSTOMER-SITED DISTRIBUTED ENERGY RESOURCE. A MUNICIPALLY
19 OWNED UTILITY'S INTERCONNECTION STANDARDS MUST:

20 (A) ALLOW FOR CUSTOMER OWNERSHIP AND USE OF A METER
21 COLLAR ADAPTER TO PERMIT THE INTERCONNECTION OF DISTRIBUTED
22 ENERGY RESOURCES AND FOR ELECTRICAL ISOLATION OF THE CUSTOMER'S
23 SITE FOR ENERGY BACKUP PURPOSES;

24 (B) INCLUDE A TRANSPARENT PROCESS FOR APPROVING
25 CUSTOMER-OWNED METER COLLAR ADAPTERS THAT MEET MINIMUM
26 SAFETY REQUIREMENTS. THE APPROVAL PROCESS MUST TAKE NO MORE
27 THAN SIXTY DAYS AFTER THE DATE OF SUBMISSION FOR APPROVAL OF A

1 SPECIFIC METER COLLAR ADAPTER BY THE PROPOSING PARTY. A
2 MUNICIPALLY OWNED UTILITY SHALL POST ON ITS WEBSITE A PUBLIC LIST
3 OF APPROVED METER COLLAR ADAPTERS AND UPDATE THE LIST AT LEAST
4 ANNUALLY. A MUNICIPALLY OWNED UTILITY SHALL APPROVE A PROPOSED
5 CUSTOMER-OWNED METER COLLAR ADAPTER THAT IS CERTIFIED FOR
6 COMPLIANCE WITH THE STANDARDS REFERENCED IN UL 414, IS RATED
7 ADEQUATELY FOR THE CONNECTED EQUIPMENT, AND DOES NOT IMPEDE
8 ACCESS TO THE SEALED METER SOCKET COMPARTMENT OR PULL SECTION
9 OF THE SERVICE ENTRANCE STATION.

10 (C) INCLUDE A PROCESS FOR A CUSTOMER TO REQUEST AND
11 INSTALL A METER COLLAR ADAPTER, WHICH PROCESS MUST TAKE NO
12 LONGER THAN THIRTY DAYS AND NOT BE UNDULY BURDENSOME TO THE
13 CUSTOMER; AND

14 (D) ALLOW FOR THE INSTALLATION OF A METER COLLAR ADAPTER
15 BY A PROFESSIONAL CONTRACTOR WITH A VALID ELECTRICIAN LICENSE
16 ISSUED PURSUANT TO ARTICLE 115 OF TITLE 12.

17 **SECTION 4.** In Colorado Revised Statutes, 40-9.5-118, **amend**
18 (2)(d) as follows:

19 **40-9.5-118. Net metering - rules.**

20 (2) Each cooperative electric association shall allow a
21 customer-generator's retail electricity consumption to be offset by the
22 electricity generated from eligible energy resources on the
23 customer-generator's side of the meter that are interconnected with the
24 facilities of the cooperative electric association, subject to the following:

25 (d) **Interconnection standards.** A cooperative electric association
26 and a customer-generator shall comply with the interconnection standards
27 and insurance requirements established in the rules promulgated ADOPTED

1 by the public utilities commission pursuant to section 40-2-124; except
2 that the cooperative electric association may reduce or waive any of the
3 insurance requirements; and except that the public utilities commission
4 shall initiate a rule-making proceeding no later than October 1, 2008, for
5 the purpose of addressing cooperative electric association system issues
6 in its small generator interconnection procedures. A cooperative electric
7 association shall not prevent or unreasonably burden the installation of a
8 net metering system if such system includes protective equipment that
9 prevents any export of customer-generated electricity from the customer's
10 side of the meter. A COOPERATIVE ELECTRIC ASSOCIATION AND A
11 CUSTOMER-GENERATOR SHALL COMPLY WITH THE RULES ADOPTED BY THE
12 PUBLIC UTILITIES COMMISSION PURSUANT TO SECTION 40-2-124 (1.3)
13 REGARDING METER COLLAR ADAPTERS AND PRODUCTION METERS.

14 **SECTION 5.** In Colorado Revised Statutes, 38-33.3-106.7,
15 **amend** (1)(b)(V) and (1)(b)(VI); and **add** (1)(b)(VII) as follows:

16 **38-33.3-106.7. Unreasonable restrictions on energy efficiency**
17 **measures - definitions.**

18 (1) (b) As used in this section, "energy efficiency measure" means
19 a device or structure that reduces the amount of energy derived from
20 fossil fuels that is consumed by a residence or business located on the real
21 property. "Energy efficiency measure" is further limited to include only
22 the following types of devices or structures:

23 (V) A retractable clothesline; and

24 (VI) A heat pump system, as defined in section 39-26-732 (2)(c);

25 AND

26 (VII) ON AND AFTER JANUARY 1, 2027, A PORTABLE-SCALE SOLAR
27 GENERATION DEVICE, AS DEFINED IN SECTION 40-2-140 (1)(e).

1 **SECTION 6. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2026 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.