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HOUSE COMMITTEE OF REFERENCE REPORT

May 17, 2021
Chair of Committee Date
Committee on <u>Finance</u> .
After consideration on the merits, the Committee recommends the following:
HB21-1286 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:
Amend the Energy and Environment Committee Report, dated May 6, 2021, page 1, strike line 1 and substitute:
"Amend printed bill, page 3, line 6, strike the first "declaration." and substitute "declaration - repeal.".
Page 7 of the bill, line 16, strike "AND".".
Page 7 of the bill, strike line 25 and substitute:
"(A) A STORAGE FACILITY, STAND-ALONE PARKING GARAGE, OR AIRPLANE HANGAR".
Page 11 of the bill, line 18, strike "AND".
Page 11 of the bill, line 19, strike "EDUCATION." and substitute "EDUCATION; AND (IV) THE OWNER OF A PRIVATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-18-102 (9).".
Page 11 of the bill, line 20, strike "JANUARY 1," and substitute "JUNE 1,".

Page 12 of the bill, strike lines 7 and 8 and substitute:



- 1 "(II) Provided to the owner within:
- 2 (A) NINETY DAYS AFTER RECEIVING THE OWNER'S VALID WRITTEN
- 3 OR ELECTRONIC REQUEST IF THE REQUEST IS RECEIVED IN 2022;
- 4 (B) THIRTY DAYS AFTER RECEIVING THE OWNER'S VALID WRITTEN
- 5 OR ELECTRONIC REQUEST IF THE REQUEST IS RECEIVED IN 2023 OR
- 6 LATER;".
- 7 Page 12 of the bill, line 15, strike "AND".
- 8 Page 12 of the bill, line 18, strike "BUILDING." and substitute "BUILDING;
- 9 AND
- 10 (VI) IF THE QUALIFYING UTILITY IS AN INVESTOR-OWNED UTILITY,
- 11 PROVIDED IN ACCORDANCE WITH THE PUBLIC UTILITIES COMMISSION'S
- 12 RULES CONCERNING CUSTOMER DATA AND PERSONALLY IDENTIFYING
- 13 INFORMATION.".
- 14 Page 13 of the bill, line 14, strike "OR".
- Page 13 of the bill, line 23, strike "RENEWAL." and substitute "RENEWAL;
- 16 OR
- 17 (V) THE COVERED BUILDING HAS FOUR OR MORE UTILITY
- 18 CUSTOMERS, IS NOT LOCATED WITHIN A QUALIFYING UTILITY'S SERVICE
- 19 TERRITORY, AND IS UNABLE TO GET AGGREGATED DATA FROM THE UTILITY
- 20 THAT SERVES THE COVERED BUILDING.".
- 21 Page 1 of the report, after line 8 insert:
- "Page 16 of the bill, line 12, strike "(10)" and substitute "(11)".".
- Page 19 of the bill, line 3, strike "COMPARED." and substitute "COMPARED
- 24 IF ENERGY-USE DATA FOR THE SUBSTITUTE YEAR IS AVAILABLE FROM THE
- 25 QUALIFYING UTILITY.".
- 26 Page 2 of the report, after line 1 insert:
- 27 "Page 19 of the bill, line 12, strike "(10)" and substitute "(11)".".
- 28 Page 2 of the report, strike lines 9 through 34.
- 29 Page 3 of the report, strike lines 1 through 28 and substitute:



- ""(10) Task force recommendations for implementation repeal. (a) (I) No Later than October 1, 2021, the director of the Office shall appoint and convene a task force to develop and Provide recommendations to the commission, the general assembly, and the governor on modifications to the performance standards for covered buildings set forth in subsection (8) of this section. Any recommendations must be approved by at least two-thirds of the members appointed to the task force.
- (II) THE TASK FORCE MAY DEVELOP RECOMMENDATIONS REGARDING THE RULES THAT THE COMMISSION MAY PROMULGATE:
- (A) Pursuant to subsection (11)(a) of this section, for modifications to the performance standards for performance year 2026 if the performance standards would achieve a reduction in Carbon dioxide emissions from the performance standards set forth in subsection (8) of this section;
- (B) PURSUANT TO SUBSECTION (11)(b) OF THIS SECTION, FOR PERFORMANCE STANDARDS FOR PERFORMANCE YEAR 2031 AND BEYOND IF THE RECOMMENDATIONS WOULD ALIGN WITH THE GREENHOUSE-GAS-EMISSION-REDUCTION TARGETS SET FORTH IN SECTION 25-7-102 (2)(g).
- (III) ADDITIONALLY, THE TASK FORCE MAY CONSIDER MAKING RECOMMENDATIONS RELATED TO:
- (A) WORKFORCE AVAILABILITY AND DEVELOPMENT RELATED TO BUILDING ENERGY PERFORMANCE;
- (B) FINANCIAL AND NONFINANCIAL COSTS AND BENEFITS OF UPGRADED BUILDING ENERGY PERFORMANCE;
- (C) AVAILABILITY OF PROGRAMS, TECHNICAL ASSISTANCE, AND INCENTIVES TO SUPPORT BUILDING OWNERS, UTILITIES, AND LOCAL GOVERNMENTS; AND
- (D) OPPORTUNITIES TO IMPROVE COMMERCIAL BUILDING ENERGY USE IN COLORADO.
- (IV) IN DEVELOPING ITS RECOMMENDATIONS, THE TASK FORCE MAY CONSIDER:
- (A) BENCHMARKING DATA REPORTED PURSUANT TO SUBSECTION (3) OF THIS SECTION;
- (B) BENCHMARKING DATA FROM COMMUNITIES THAT ARE CURRENTLY CONDUCTING COMMERCIAL BUILDING BENCHMARKING;
- (C) ANY OTHER PUBLICLY AVAILABLE BUILDING BENCHMARKING DATA THROUGH WHICH BENCHMARKING IS REPORTED TO A BUILDING BENCHMARKING PROGRAM IN COLORADO; AND
 - (D) ANY OTHER INFORMATION THAT THE OFFICE DETERMINES IS



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AVAILABLE REGARDING ENERGY USE IN COMMERCIAL BUILDINGS IN COLORADO.

- (b) (I) If at least two-thirds of the members appointed to the task force agree on recommendations pursuant to subsection (10)(a)(II)(A) of this section, and the director of the office in consultation with the commission determines that the recommendations meet the carbon dioxide reduction requirement set forth in subsection (10)(a)(II)(A) of this section, the division shall, on or before July 1, 2023, request that the commission, pursuant to subsection (11)(a) of this section, publish a notice of proposed rule-making to adopt rules to implement the task force's recommendations.
- (II) IF TWO-THIRDS OF THE MEMBERS OF THE TASK FORCE CANNOT AGREE ON RECOMMENDATIONS OR IF THE DIRECTOR OF THE OFFICE IN CONSULTATION WITH THE COMMISSION DETERMINES THAT THE TASK FORCE'S RECOMMENDATIONS WOULD NOT MEET THE CARBON DIOXIDE REDUCTION REQUIREMENT SET FORTH IN SUBSECTION (10)(a)(II)(A) OF THIS SECTION, THE PERFORMANCE STANDARDS SET FORTH IN SUBSECTION (8) OF THIS SECTION CONTINUE IN EFFECT UNTIL THE COMMISSION, PURSUANT TO SUBSECTION (11)(b) OF THIS SECTION, ADOPTS ANY RULES MODIFYING THE PERFORMANCE STANDARDS.
- (c) On or before October 1, 2022, the task force shall deliver to the director of the office any interim recommendations developed. On or before January 1, 2023, the task force shall deliver to the director of the office any final recommendations developed. The director of the office shall send copies of the task force's final recommendations to the commission, the general assembly, and the governor.
 - (d) THE TASK FORCE CONSISTS OF THE FOLLOWING MEMBERS:
 - (I) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S DESIGNEE;
 - (II) THE DIRECTOR OF THE DIVISION OR THE DIRECTOR'S DESIGNEE;
- (III) TWO MEMBERS WHO ARE OWNERS OF COVERED BUILDINGS OR WHO REPRESENT OWNERS OF COVERED BUILDINGS, WITH ONE REPRESENTING OWNERS OF COMMERCIAL BUILDINGS AND ONE REPRESENTING OWNERS OF MULTIFAMILY RESIDENTIAL BUILDINGS;
- (IV) TWO MEMBERS WHO HAVE DIRECT EXPERIENCE IN, OR ARE MEMBERS OF ORGANIZATIONS REPRESENTING WORKERS IN, MECHANICAL, PLUMBING, OR ELECTRICAL WORK;
- (V) ONE MEMBER REPRESENTING ARCHITECTS, PROFESSIONAL ENGINEERS WITH EXPERIENCE WORKING ON SYSTEMS FOR BUILDINGS, OR OTHER DESIGN PROFESSIONALS;



- (VI) ONE MEMBER REPRESENTING DEVELOPERS, CONSTRUCTION ORGANIZATIONS, OR BUILDING CONTRACTORS;
- (VII) ONE MEMBER REPRESENTING AN ELECTRIC UTILITY, A GAS UTILITY, OR A COMBINED ELECTRIC AND GAS UTILITY;
- (VIII) TWO MEMBERS OF ENVIRONMENTAL CONSERVATION OR ENVIRONMENTAL JUSTICE GROUPS WITH EXPERIENCE IN ENERGY EFFICIENCY OR THE BUILT ENVIRONMENT;
- (IX) ONE MEMBER FROM A LOCAL GOVERNMENT THAT HAS ENACTED OR ADOPTED A BENCHMARKING OR BUILDING ENERGY PERFORMANCE ORDINANCE OR RESOLUTION;
- 11 (X) ONE MEMBER FROM A LOCAL GOVERNMENT THAT HAS NOT 12 ENACTED OR ADOPTED A BENCHMARKING OR BUILDING ENERGY 13 PERFORMANCE ORDINANCE OR RESOLUTION; AND
 - (XI) TWO MEMBERS WITH RELEVANT BUILDING PERFORMANCE EXPERTISE, AS DETERMINED BY THE DIRECTOR OF THE OFFICE.
 - (e) This subsection (10) is repealed, effective July 1, 2025.
- 17 (11) **Performance standard rules.** (a) On or before January 1, 2024, if the division, pursuant to subsection (10)(b) of this 19 section, requests that the commission publish a notice of 20 proposed rule-making to adopt rules to implement 21 recommendations of the task force, the commission may engage 22 in such a rule-making proceeding to modify the performance 23 standards for performance year 2026.
- 24 (b) ON OR AFTER DECEMBER".".
- 25 Page 3 of the report, after line 29 insert:
- 26 "Page 21 of the bill, line 16, strike "SECTION" and substitute "SECTION, OR
- 27 ANY MODIFIED PERFORMANCE STANDARDS SET FORTH IN RULES THAT THE
- 28 COMMISSION PROMULGATES PURSUANT TO SUBSECTION (11)(a) OF THIS
- 29 SECTION,".".

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- 30 Page 3 of the report, after line 31 insert:
- 31 "Page 22 of the bill, line 1, strike "(10)" and substitute "(11)".
- Page 22 of the bill, line 19, strike "(10)." and substitute "(11).".
- Page 22 of the bill, line 27, strike "(11)" and substitute "(12)".".
- Page 24 of the bill, strike lines 5 and 6 and substitute "ADMINISTERING"



- 1 THE BUILDING PERFORMANCE PROGRAM DEFINED IN SECTION 24-38.5-110
- 2 (3)(b) AND DESCRIBED IN THAT SECTION AND SECTION 25-7-142.".
- 3 Page 25 of the bill, line 17, strike "OR".
- 4 Page 25 of the bill, line 18, strike "32." and substitute "32;
- 5 (C) A STATE INSTITUTION OF HIGHER EDUCATION;
- 6 (D) A SCHOOL DISTRICT CREATED PURSUANT TO ARTICLE 30 OF
- 7 TITLE 22; OR
- 8 (E) A CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF
- 9 ARTICLE 30.5 OF TITLE 22.".
- 10 Page 25 of the bill, after line 18 insert:
- 11 "(2) TO IMPLEMENT THE BUILDING PERFORMANCE PROGRAM, THE
- 12 COLORADO ENERGY OFFICE SHALL ASSIST BUILDING OWNERS TO INCREASE
- 13 ENERGY EFFICIENCY AND REDUCE GREENHOUSE GAS EMISSIONS FROM
- 14 THEIR BUILDINGS, INCLUDING BY PROVIDING OUTREACH, TRAINING,
- 15 TECHNICAL ASSISTANCE, AND GRANTS TO BUILDING OWNERS TO HELP
- 16 THEIR BUILDINGS COME INTO COMPLIANCE WITH THE BUILDING
- 17 PERFORMANCE PROGRAM.".
- 18 Renumber succeeding subsection accordingly.
- 19 Page 27, strike line 1 and substitute:
- 20 "(C) A SCHOOL DISTRICT CREATED PURSUANT TO ARTICLE 30 OF
- 21 TITLE 22 OR A CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF
- 22 ARTICLE 30.5 OF TITLE 22;".

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