

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-1108.01 Thomas Morris x4218

SENATE BILL 19-250

SENATE SPONSORSHIP

Garcia and Scott,

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING RATEPAYER PROTECTIONS REGARDING ELECTRIC**
102 **UTILITIES' ABILITY TO ESTABLISH A GRADUATED SCALE OF**
103 **CHARGES.**

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>.)

Current law allows heat, light, gas, water, power, and telephone utilities to establish a graduated scale of charges known as tiered rates. Based on a legislative finding that electric utilities' generation costs have substantially declined, the bill requires electric utilities that are currently charging a residential tiered rate to file with the public utilities

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

commission a revised residential rate design by April 30, 2020, to take effect on or before June 1, 2020, that collapses the residential summer tiered rate into a single rate that applies to all kilowatt-hours consumed by the residential customer during the summer. The single rate must be designed to collect the same revenues during the summer as the tiered rate was designed to collect. An electric utility cannot charge a residential tiered rate or residential inverted block rate until the utility files a new electric rate case.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-3-106, **amend** (2)
3 as follows:

4 **40-3-106. Advantages prohibited - graduated schedules -**
5 **consideration of household income and other factors - legislative**
6 **finding - definitions.** (2) (a) EXCEPT AS PROVIDED IN SUBSECTION (2)(b)
7 OF THIS SECTION, nothing in articles 1 to 7 of this ~~title shall be taken to~~
8 ~~prohibit~~ TITLE 40 PROHIBITS a public utility engaged in the production,
9 generation, transmission, or furnishing of heat, light, gas, water, power,
10 or telephone service from establishing a graduated scale of charges
11 subject to ~~the provisions of this title~~ TITLE 40.

12 (b) THE GENERAL ASSEMBLY FINDS THAT ELECTRIC UTILITIES'
13 GENERATION COSTS HAVE SUBSTANTIALLY DECLINED. CONSEQUENTLY,
14 EACH ELECTRIC UTILITY THAT, ON THE EFFECTIVE DATE OF THIS
15 SUBSECTION (2)(b), IS CHARGING A RESIDENTIAL TIERED RATE SHALL FILE
16 WITH THE COMMISSION A REVISED RESIDENTIAL RATE DESIGN BY APRIL 30,
17 2020, TO TAKE EFFECT ON OR BEFORE JUNE 1, 2020, THAT COLLAPSES THE
18 RESIDENTIAL SUMMER TIERED RATE INTO A SINGLE RATE THAT APPLIES TO
19 ALL KILOWATT-HOURS CONSUMED BY THE RESIDENTIAL CUSTOMER
20 DURING THE SUMMER. THE SINGLE RATE MUST BE DESIGNED TO BE
21 REVENUE-NEUTRAL TO THE ELECTRIC UTILITY DURING THE SUMMER WHEN

1 COMPARED TO THE TIERED RATE. AN ELECTRIC UTILITY SHALL NOT
2 CHARGE A RESIDENTIAL TIERED RATE OR RESIDENTIAL INVERTED BLOCK
3 RATE UNTIL THE UTILITY FILES A NEW ELECTRIC RATE CASE.

4 **SECTION 2. Act subject to petition - effective date -**
5 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
6 the expiration of the ninety-day period after final adjournment of the
7 general assembly (August 2, 2019, if adjournment sine die is on May 3,
8 2019); except that, if a referendum petition is filed pursuant to section 1
9 (3) of article V of the state constitution against this act or an item, section,
10 or part of this act within such period, then the act, item, section, or part
11 will not take effect unless approved by the people at the general election
12 to be held in November 2020 and, in such case, will take effect on the
13 date of the official declaration of the vote thereon by the governor.

14 (2) This act applies to conduct occurring on or after the applicable
15 effective date of this act.