

CHAPTER 334

PUBLIC UTILITIES

SENATE BILL 01-144

BY SENATOR(S) Reeves, Hagedorn, Hanna, Hernandez, Linkhart, Matsunaka, Pascoe, Perlmutter, Phillips, Takis, Tate, and Tupa;
also REPRESENTATIVE(S) Spradley, Boyd, Fairbank, Groff, Grossman, Lawrence, Mace, Madden, Plant, Romanoff, Webster, and Williams S.

AN ACT

CONCERNING THE PROMOTION OF ENERGY EFFICIENCY.

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

SECTION 1. 39-4-102 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

39-4-102. Valuation of public utilities. (1) The administrator shall determine the actual value of the operating property and plant of each public utility as a unit, giving consideration to the following factors and assigning such weight to each of such factors as in ~~his~~ THE ADMINISTRATOR'S judgment will secure a just value of such public utility as a unit:

(e) WHEN DETERMINING THE ACTUAL VALUE OF A RENEWABLE ENERGY FACILITY THAT PRIMARILY GENERATES ELECTRICITY, THE ADMINISTRATOR SHALL CONSIDER THE ADDITIONAL INCREMENTAL COST PER KILOWATT OF THE CONSTRUCTION OF THE RENEWABLE ENERGY FACILITY OVER THAT OF THE CONSTRUCTION COST OF A COMPARABLE NONRENEWABLE ENERGY FACILITY THAT PRIMARILY GENERATES ELECTRICITY TO BE AN INVESTMENT COST AND SHALL NOT INCLUDE SUCH ADDITIONAL INCREMENTAL COST IN THE VALUATION OF THE FACILITY. FOR PURPOSES OF THIS PARAGRAPH (e), "RENEWABLE ENERGY" HAS THE MEANING PROVIDED IN SECTION 40-1-102 (6), C.R.S.

SECTION 2. 40-2-122, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

40-2-122. Natural gas - deregulation of supply - voluntary separation of

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

service offerings - consumer protection - legislative declaration. (15) THE COMMISSION SHALL UNDERTAKE AN INVESTIGATION INTO NATURAL GAS PUBLIC UTILITIES' SUPPLY ACQUISITION PRACTICES. THE INVESTIGATION SHALL EXAMINE, AMONG OTHER ITEMS, HOW PUBLIC UTILITIES CURRENTLY ACQUIRE SUPPLY AND THEIR ABILITY TO MANAGE THE RISK OF PRICE SPIKES IN NATURAL GAS MARKETS. BASED ON THE INVESTIGATION'S FINDINGS, THE COMMISSION MAY PROVIDE RECOMMENDATIONS AS TO HOW NATURAL GAS PORTFOLIOS MIGHT BE STRUCTURED IN THE FUTURE SO AS TO PROVIDE GREATER LONG-TERM NATURAL GAS PRICE STABILITY FOR CONSUMERS. INFORMATION FROM THE INVESTIGATION SHALL BE MADE AVAILABLE TO INTERESTED PARTIES AT THE COMMISSION'S OFFICE. SUCH PORTFOLIO SHALL INCLUDE A COMPARISON OF COSTS OF NATURAL GAS CONTRACTS TO THE COST OF COAL SYNGAS CONTRACTS THAT MAY BECOME AVAILABLE IN THE FUTURE. THE COMMISSION SHALL SUBMIT A REPORT TO THE TRANSPORTATION LEGISLATION REVIEW COMMITTEE ON OR BEFORE FEBRUARY 1, 2004, AND BIENNIALY ON OR BEFORE EVERY OTHER FEBRUARY 1 THEREAFTER, THAT DESCRIBES THE STATUS OF THE COAL SYNGAS COMPONENT OF NATURAL GAS PUBLIC UTILITIES' PORTFOLIOS.

SECTION 3. Report from governor's office of energy management and conservation - deadline. (1) The governor's office of energy management and conservation shall file a report with the general assembly within six months after the effective date of this act concerning a review of new federal programs resulting from the passage of any federal energy policy legislation to include identification of opportunities to construct new renewable and fossil fuel electricity generating facilities in Colorado using new federal funds that may become available from the passage of such legislation.

SECTION 4. Article 2 of title 40, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

40-2-123. Commission consideration of new energy technologies. THE COMMISSION SHALL GIVE THE FULLEST POSSIBLE CONSIDERATION TO THE COST-EFFECTIVE IMPLEMENTATION OF NEW CLEAN ENERGY AND ENERGY-EFFICIENT TECHNOLOGIES IN ITS CONSIDERATION OF GENERATION ACQUISITIONS FOR ELECTRIC UTILITIES, BEARING IN MIND THE BENEFICIAL CONTRIBUTIONS SUCH TECHNOLOGIES MAKE TO COLORADO'S ENERGY SECURITY, ECONOMIC PROSPERITY, ENVIRONMENTAL PROTECTION, AND INSULATION FROM FUEL PRICE INCREASES. THE COMMISSION SHALL CONSIDER UTILITY INVESTMENTS IN ENERGY EFFICIENCY TO BE AN ACCEPTABLE USE OF RATEPAYER MONEYS.

SECTION 5. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: June 8, 2001