

## CHAPTER 186

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**PUBLIC UTILITIES**

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**HOUSE BILL 06-1325**

BY REPRESENTATIVE(S) McFadyen, Borodkin, Carroll T., Coleman, Curry, Frangas, Gallegos, Hodge, Knoedler, Madden, Marshall, Merrifield, Paccione, Solano, and Todd;  
also SENATOR(S) Takis, Tochtrop, and Williams.

**AN ACT**

**CONCERNING ELECTRIC TRANSMISSION FOR THE STATE OF COLORADO, AND, IN CONNECTION THEREWITH, CREATING AN INTERIM TASK FORCE TO STUDY COLORADO'S NEED TO ENSURE A RELIABLE ELECTRICITY INFRASTRUCTURE, AND MAKING AN APPROPRIATION.**

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

**SECTION 1. Legislative declaration.** The general assembly finds, determines, and declares that a reliable electric infrastructure for the state of Colorado is in the public interest and vital to the state's citizens. Further, the state's long-term economic viability is dependent upon a reliable electric infrastructure. It is therefore in the state's interest to ensure that the state's electric infrastructure can meet present and future demands for electricity. The general assembly therefore finds that the state of Colorado should engage affected stakeholders to develop a comprehensive plan that addresses the state's future electric infrastructure needs for the benefit of Colorado and its citizens.

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

**40-4-115. Reliable electricity infrastructure - task force - repeal.** (1) **Task force and report.** (a) THERE IS HEREBY CREATED THE TASK FORCE ON RELIABLE ELECTRICITY INFRASTRUCTURE, ALSO REFERRED TO IN THIS SECTION AS THE "TASK FORCE". THE TASK FORCE MAY MAKE RECOMMENDATIONS TO THE GOVERNOR AND GENERAL ASSEMBLY REGARDING THE SUFFICIENCY OF COLORADO'S ELECTRIC TRANSMISSION INFRASTRUCTURE TO MEET THE STATE'S EXISTING AND PROJECTED NEEDS. THE TASK FORCE SHALL TAKE TESTIMONY ON THE TOPICS LISTED IN SUBSECTION (3) OF THIS SECTION AND SHALL REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY ON SUCH TESTIMONY NO LATER THAN NOVEMBER 1, 2006. ANY

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

RECOMMENDATIONS MADE BY THE TASK FORCE SHALL REQUIRE THE AFFIRMATIVE CONSENT OF EIGHT OF ITS MEMBERS.

(b) THE TASK FORCE SHALL HOLD AT LEAST FOUR MEETINGS, WHICH SHALL BE OPEN TO THE PUBLIC. THE TASK FORCE SHALL ELECT A CHAIR AND A VICE-CHAIR FROM ITS MEMBERS AT ITS FIRST MEETING. THE TASK FORCE SHALL SOLICIT AND RECEIVE COMMENTS FROM MEMBERS OF THE PUBLIC, WHICH SHALL INCLUDE AN OPPORTUNITY FOR COLORADO CITIZENS TO SUBMIT WRITTEN COMMENTS TO THE TASK FORCE. THE TASK FORCE MAY DETERMINE THE MANNER IN WHICH SUCH COMMENTS ARE RECEIVED.

(c) THE TASK FORCE SHALL CONSIDER AND GIVE WEIGHT TO PUBLIC COMMENTS RECEIVED DURING THE PUBLIC HEARING PROCESS, AS WELL AS WRITTEN COMMENTS FROM AFFECTED COUNTIES, CITIES, ELECTRIC PROVIDERS AND CUSTOMERS, ENVIRONMENTAL GROUPS, AND OTHER INTERESTED STAKEHOLDERS.

(2) **Membership.** (a) THE TASK FORCE SHALL CONSIST OF FIFTEEN MEMBERS AS FOLLOWS:

(I) THE DIRECTOR OF THE PUBLIC UTILITIES COMMISSION OR HIS OR HER DESIGNEE, WHO SHALL CONVENE THE TASK FORCE AND WHO IS AUTHORIZED TO CONTRACT WITH A MEDIATOR OR OTHER THIRD PARTY TO FACILITATE ACCOMPLISHMENT OF THE TASK FORCE'S DUTIES;

(II) SIX MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

(A) ONE MEMBER REPRESENTING COOPERATIVE ELECTRIC ASSOCIATIONS THAT DISTRIBUTE ELECTRICITY;

(B) ONE MEMBER REPRESENTING COOPERATIVE ELECTRIC ASSOCIATIONS THAT GENERATE AND TRANSMIT ELECTRICITY;

(C) TWO MEMBERS REPRESENTING INVESTOR-OWNED ELECTRIC UTILITIES;

(D) ONE MEMBER REPRESENTING WIND-ELECTRIC GENERATION INTERESTS; AND

(E) ONE MEMBER REPRESENTING LARGE COMMERCIAL CONSUMERS OF ELECTRICITY;

(III) TWO MEMBERS APPOINTED BY THE SPEAKER OF THE COLORADO HOUSE OF REPRESENTATIVES, ONE OF WHOM SHALL NOT BE AFFILIATED WITH ANY OF THE GROUPS REPRESENTED BY OTHER MEMBERS OF THE TASK FORCE;

(IV) TWO MEMBERS APPOINTED BY THE PRESIDENT OF THE COLORADO SENATE, ONE OF WHOM SHALL NOT BE AFFILIATED WITH ANY OF THE GROUPS REPRESENTED BY OTHER MEMBERS OF THE TASK FORCE;

(V) THE EXECUTIVE DIRECTOR OF THE COLORADO MUNICIPAL LEAGUE OR ITS SUCCESSOR ORGANIZATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(VI) THE EXECUTIVE DIRECTOR OF COLORADO COUNTIES, INCORPORATED, OR

CCI, OR ITS SUCCESSOR ORGANIZATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(VII) THE EXECUTIVE DIRECTOR OF THE COLORADO ASSOCIATION OF MUNICIPAL UTILITIES OR ITS SUCCESSOR ORGANIZATION, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(VIII) ONE MEMBER APPOINTED BY MUTUAL AGREEMENT AND CONSENT OF THE GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND THE PRESIDENT OF THE SENATE.

(b) MEMBERS OF THE TASK FORCE SHALL BE APPOINTED WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION.

(c) VACANCIES SHALL BE FILLED BY APPOINTMENT BY THE OFFICIAL WHO APPOINTED THE MEMBER WHOSE ABSENCE RESULTED IN THE VACANCY.

(3) **Scope of inquiry.** AT A MINIMUM, THE TASK FORCE SHALL TAKE COMMENTS ON THE FOLLOWING TOPICS:

(a) THE CURRENT AND PROJECTED DEMAND FOR ELECTRICITY IN COLORADO THROUGH THE YEAR 2020;

(b) AN INVENTORY OF THE ELECTRIC TRANSMISSION INFRASTRUCTURE THAT SERVES COLORADO, WITH ESTIMATES OF ITS SUFFICIENCY TO MEET THE CURRENT AND PROJECTED DEMAND;

(c) ADDITIONS OR IMPROVEMENTS TO THE STATE'S ELECTRIC TRANSMISSION SYSTEM THAT WILL BE REQUIRED TO MEET THE PROJECTED DEMAND;

(d) THE ELECTRIC TRANSMISSION NEEDS RELATED TO IMPLEMENTATION OF SECTION 40-2-124, AS APPROVED BY COLORADO VOTERS IN NOVEMBER 2004;

(e) THE DECISION-MAKING PROCESS FOR ROUTING TRANSMISSION LINES;

(f) THE FINANCIAL RESOURCES AND TIME REQUIRED TO BUILD OR IMPROVE TRANSMISSION INFRASTRUCTURE AS REQUIRED TO MEET THE PROJECTED DEMAND;

(g) THE EXISTING AND ANTICIPATED FUTURE IMPEDIMENTS TO IMPROVING COLORADO'S ELECTRIC TRANSMISSION INFRASTRUCTURE;

(h) POSSIBLE POLICY CHOICES TO ENSURE THAT COLORADO WILL HAVE A RELIABLE ELECTRIC GRID AND REASONABLY PRICED ELECTRICITY SUPPLIES; AND

(i) ADDITIONAL TRANSMISSION ISSUES, INCLUDING, WITHOUT LIMITATION, SITING AND PERMITTING; ESTABLISHING OR ENHANCING THE TRANSMISSION SYSTEM'S INTERCONNECTION WITH SUCH SYSTEMS IN OTHER STATES; THE BENEFITS, DETRIMENTS, AND IMPEDIMENTS OF MULTI-STATE PLANNING; ISSUES REGARDING TRANSMISSION PROJECT FINANCING AND COST RECOVERY; ISSUES REGARDING ACCESSING TRANSMISSION CAPACITY CREATED BY NEW INVESTMENTS; ACCOMMODATING RENEWABLE SOURCES; UPGRADING AND MAXIMIZING THE USE OF EXISTING TRANSMISSION CORRIDORS; EMINENT DOMAIN; AND REVENUE SHARING

AMONG JURISDICTIONS ALONG TRANSMISSION CORRIDORS. THE TASK FORCE MAY ALSO CONSIDER THE RESULTS OF ANY RECENT STUDIES THAT ADDRESS COLORADO'S TRANSMISSION INFRASTRUCTURE.

(4) (a) THE COMMISSION MAY ACCEPT PRIVATE GIFTS, GRANTS, AND DONATIONS FOR THE PURPOSE OF PROVIDING SUPPORT TO THE TASK FORCE TO PERFORM ITS RESPONSIBILITIES SPECIFIED IN THIS SECTION. ANY SUCH GIFTS, GRANTS, AND DONATIONS SHALL BE HELD IN A SEPARATE ACCOUNT IN THE PUBLIC UTILITIES COMMISSION FIXED UTILITY FUND CREATED IN SECTION 40-2-114.

(b) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE COMMISSION NOT BE REQUIRED TO SOLICIT GIFTS, GRANTS, OR DONATIONS FROM ANY SOURCE FOR THE PURPOSES OF THIS SECTION AND THAT NO GENERAL FUND MONEYS BE USED TO PAY FOR GRANTS AWARDED PURSUANT TO THIS SECTION OR FOR ANY EXPENSES OF THE TASK FORCE.

(c) IF, BY JUNE 1, 2006, MONEYS IN THE ACCOUNT CREATED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (4) HAVE NOT REACHED AN AMOUNT SUFFICIENT TO PAY THE EXPENSES OF THE TASK FORCE, THE TASK FORCE SHALL NOT MEET NOR UNDERTAKE ANY OTHER DUTIES PURSUANT TO THIS SECTION AND THE COMMISSION SHALL RETURN TO EACH GRANTOR OR DONOR AN AMOUNT EQUAL TO SUCH GRANTOR'S OR DONOR'S CONTRIBUTION. THE INTEREST, IF ANY, EARNED FROM THE INVESTMENT OF MONEYS IN THE ACCOUNT SHALL BE TRANSFERRED TO THE GENERAL FUND.

(5) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2006.

**SECTION 3. Appropriation.** In addition to any other appropriation, there is hereby appropriated, out of any gifts, grants and donations credited to the public utilities commission fixed utility fund created in section 40-2-114, Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for allocation to the public utilities commission, for the fiscal year beginning July 1, 2006, the sum of forty-four thousand six hundred dollars (\$44,600), or so much thereof as may be necessary, for the implementation of this act.

**SECTION 4. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 4, 2006