

CHAPTER 406

PUBLIC UTILITIES

HOUSE BILL 10-1418

BY REPRESENTATIVE(S) McFadyen and Sonnenberg, Apuan, Baumgardner, Gerou, Kerr J., Lambert, Looper, Massey, Pommer, Priola, Roberts, Vigil, Acree, Frangas, Nikkel, Schafer S.;
also SENATOR(S) Bacon, Brophy, Heath, Schwartz, Whitehead.

AN ACT**CONCERNING REQUIREMENTS APPLICABLE TO COMMUNITY-BASED PROJECTS THAT QUALIFY FOR SPECIAL TREATMENT UNDER THE RENEWABLE ENERGY PORTFOLIO STANDARD.**

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

SECTION 1. 40-2-124 (1) (c) (VI) (A), Colorado Revised Statutes, is amended, and the said 40-2-124 (1) (c) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

40-2-124. Renewable energy standard - definitions - net metering. (1) Each provider of retail electric service in the state of Colorado, other than municipally owned utilities that serve forty thousand customers or fewer, shall be considered a qualifying retail utility. Each qualifying retail utility, with the exception of cooperative electric associations that have voted to exempt themselves from commission jurisdiction pursuant to section 40-9.5-104 and municipally owned utilities, shall be subject to the rules established under this article by the commission. No additional regulatory authority of the commission other than that specifically contained in this section is provided or implied. In accordance with article 4 of title 24, C.R.S., the commission shall revise or clarify existing rules to establish the following:

(c) Electric resource standards:

(VI) Each kilowatt-hour of electricity generated from eligible energy resources at a community-based project shall be counted as one and one-half kilowatt-hours. For purposes of this subparagraph (VI), "community-based project" means a project located in Colorado:

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

(A) That is owned by individual residents of a community, ~~nonprofit~~ BY AN organization OR cooperative THAT IS CONTROLLED BY INDIVIDUAL RESIDENTS OF THE COMMUNITY, OR BY A local government entity or tribal council;

(IX) FOR PURPOSES OF STIMULATING RURAL ECONOMIC DEVELOPMENT AND FOR PROJECTS UP TO THIRTY MEGAWATTS OF NAMEPLATE CAPACITY THAT HAVE A POINT OF INTERCONNECTION RATED AT SIXTY-NINE KILOVOLTS OR LESS, EACH KILOWATT HOUR OF ELECTRICITY GENERATED FROM RENEWABLE ENERGY RESOURCES THAT INTERCONNECTS TO ELECTRIC TRANSMISSION OR DISTRIBUTION FACILITIES OWNED BY A COOPERATIVE ELECTRIC ASSOCIATION OR MUNICIPALLY OWNED UTILITY MAY BE COUNTED FOR THE LIFE OF THE PROJECT AS TWO KILOWATT HOURS FOR COMPLIANCE WITH THE REQUIREMENTS OF THIS PARAGRAPH (c) BY QUALIFYING RETAIL UTILITIES. THIS MULTIPLIER SHALL NOT BE CLAIMED FOR INTERCONNECTIONS THAT FIRST OCCUR AFTER DECEMBER 31, 2014, AND SHALL NOT BE USED IN CONJUNCTION WITH ANOTHER COMPLIANCE MULTIPLIER. FOR QUALIFYING RETAIL UTILITIES OTHER THAN INVESTOR-OWNED UTILITIES, THE BENEFITS DESCRIBED IN THIS SUBPARAGRAPH (IX) APPLY ONLY TO THE AGGREGATE FIRST ONE HUNDRED MEGAWATTS OF NAMEPLATE CAPACITY OF PROJECTS STATEWIDE THAT REPORT HAVING ACHIEVED COMMERCIAL OPERATIONS TO THE COMMISSION PURSUANT TO THE PROCEDURE DESCRIBED IN THIS SUBPARAGRAPH (IX). TO THE EXTENT THAT A QUALIFYING RETAIL UTILITY CLAIMS THE BENEFIT DESCRIBED IN THIS SUBPARAGRAPH (IX), THOSE KILOWATT-HOURS OF ELECTRICITY DO NOT QUALIFY FOR SATISFACTION OF THE DISTRIBUTED GENERATION REQUIREMENT OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c). THE COMMISSION SHALL ANALYZE THE IMPLEMENTATION OF THIS SUBPARAGRAPH (IX) AND SUBMIT A REPORT TO THE SENATE LOCAL GOVERNMENT AND ENERGY COMMITTEE AND THE HOUSE OF REPRESENTATIVES COMMITTEE ON TRANSPORTATION AND ENERGY, OR THEIR SUCCESSOR COMMITTEES, BY DECEMBER 31, 2011, REGARDING IMPLEMENTATION OF THIS SUBPARAGRAPH (IX), INCLUDING HOW MANY MEGAWATTS OF ELECTRICITY HAVE BEEN INSTALLED OR ARE SUBJECT TO A POWER PURCHASE AGREEMENT PURSUANT TO THIS SUBPARAGRAPH (IX) AND WHETHER THE COMMISSION RECOMMENDS THAT THE MULTIPLIER ESTABLISHED BY THIS SUBPARAGRAPH (IX) SHOULD BE CHANGED EITHER IN MAGNITUDE OR EXPIRATION DATE. ANY ENTITY THAT OWNS OR DEVELOPS A PROJECT THAT WILL TAKE ADVANTAGE OF THE BENEFITS OF THIS SUBPARAGRAPH (IX) SHALL NOTIFY THE COMMISSION WITHIN THIRTY DAYS AFTER SIGNING A POWER PURCHASE AGREEMENT AND WITHIN THIRTY DAYS AFTER BEGINNING COMMERCIAL OPERATIONS OF AN APPLICABLE PROJECT.

SECTION 2. Act subject to petition - effective date - applicability. (1) 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 (August 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part shall not take effect unless approved by the people at the general election to be held in November 2010 and shall take effect on the date of the official declaration of the vote thereon by the governor.

(2) The provisions of this act shall apply to conduct occurring on or after the applicable effective date of this act.

Approved: June 10, 2010