

SB077_L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business, Labor, & Technology.

SB19-077 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1. Legislative declaration.** (1) The general
4 assembly finds and declares that:

5 (a) Widespread adoption of electric vehicles is necessary to
6 diversify the transportation fuel mix, improve national security, and
7 protect air quality;

8 (b) The number of electric vehicles registered in Colorado has
9 doubled over the last three years, and, with expanded infrastructure
10 investment, future growth is projected to accelerate;

11 (c) This growth will be assisted by investments in infrastructure
12 necessary to maximize the benefits of the expanding electric vehicle
13 market;

14 (d) Widespread adoption of electric vehicles requires that public
15 utilities increase access to electricity as transportation fuel, including for
16 low- and moderate-income and underserved communities;

17 (e) Widespread adoption of electric vehicles should provide
18 consumers with fuel cost savings and electric utility customers with
19 potential cost-saving benefits;

20 (f) Widespread adoption of electric vehicles should stimulate
21 innovation, competition, and increased choices in charging equipment and
22 networks and should also attract private capital investments and create
23 high-quality jobs in Colorado; and

24 (g) Widespread adoption of electric vehicles should improve an
25 electric public utility's electrical system efficiency and operational
26 flexibility, including the ability of the electric public utility to integrate
27 variable renewable energy generation resources and to make use of
28 off-peak generation resources.

29 **SECTION 2.** In Colorado Revised Statutes, 40-1-103.3, **amend**
30 (2) and (6) as follows:

31 **40-1-103.3. Alternative fuel vehicles - definition.** (2) For the
32 purposes of articles 1 to 7 of this ~~title~~ TITLE 40, persons generating
33 electricity for use in alternative fuel vehicle charging or fueling facilities
34 as authorized by subsection (4) of this section, persons reselling
35 electricity supplied by a public utility, or persons reselling compressed or
36 liquefied natural gas, liquefied petroleum gas, or any component parts or
37 by-products to governmental entities or to the public for use as fuel in
38 alternative fuel vehicles or buying electricity stored in such vehicles for
39 resale are not subject to regulation as a public utility. Electric ~~and natural~~

1 gas public utilities may provide the services described in this subsection
2 (2) as unregulated OR REGULATED services. ~~and NATURAL GAS PUBLIC~~
3 ~~UTILITIES MAY PROVIDE these SERVICES AS unregulated services. may not~~
4 ~~be subsidized by the regulated services of the electric or natural gas~~
5 ~~public utility.~~

6 (6) ~~The regulated expenditures and investments made by a public~~
7 ~~utility to accommodate alternative fuel vehicle charging and fueling~~
8 ~~facilities are equal in priority to all other infrastructure necessary to serve~~
9 ~~any customer of the public utility in its service territory, but are~~
10 ~~subordinate to the safety and reliability obligations of the utility~~ A PUBLIC
11 UTILITY MAY RECOVER THE COSTS OF DISTRIBUTION SYSTEM INVESTMENTS
12 TO ACCOMMODATE ALTERNATIVE FUEL VEHICLE CHARGING, SUBJECT TO
13 EVALUATION AND COST RECOVERY PROVISIONS THAT ARE COMPARABLE
14 TO OTHER REGULATED INVESTMENTS IN THE DISTRIBUTION GRID; EXCEPT
15 THAT DISTRIBUTION SYSTEM INVESTMENTS THAT ARE A COMPONENT OF A
16 TRANSPORTATION ELECTRIFICATION PLAN SUBMITTED IN ACCORDANCE
17 WITH SECTION 40-5-107 ARE SUBJECT TO SECTIONS 40-3-116 AND
18 40-5-107.

19 **SECTION 3.** In Colorado Revised Statutes, **add** 40-3-116 as
20 follows:

21 **40-3-116. Electric vehicle programs - rates.** (1) THE RATES AND
22 CHARGES SCHEDULE FOR SERVICES PROVIDED BY A PROGRAM CREATED
23 UNDER SECTION 40-5-107 MAY ALLOW:

24 (a) A RETURN ON ANY INVESTMENT MADE UNDER SECTION
25 40-5-107 BY AN ELECTRIC UTILITY AT THE ELECTRIC UTILITY'S MOST
26 RECENT RATE OF RETURN ON EQUITY APPROVED BY THE COMMISSION,
27 INCLUDING BY ALLOWING A UTILITY TO EARN A RATE OF RETURN ON
28 REBATES PROVIDED TO CUSTOMERS THROUGH A TRANSPORTATION
29 ELECTRIFICATION PROGRAM;

30 (b) RATE RECOVERY MECHANISMS THAT ALLOW EARLIER, AS
31 DETERMINED BY THE COMMISSION, RECOVERY OF COSTS, INCLUDING THE
32 USE OF RATE ADJUSTMENT CLAUSES; AND

33 (c) PERFORMANCE-BASED INCENTIVE RETURNS OR SIMILAR
34 INVESTMENT INCENTIVES.

35 **SECTION 4.** In Colorado Revised Statutes, **add** 40-5-107 as
36 follows:

37 **40-5-107. Electric vehicle programs - repeal.** (1) (a) NO LATER
38 THAN MAY 15, 2020, AND ON OR BEFORE MAY 15 EVERY THREE YEARS
39 THEREAFTER, AN ELECTRIC UTILITY SHALL FILE WITH THE COMMISSION AN
40 APPLICATION FOR A PROGRAM FOR REGULATED ACTIVITIES TO SUPPORT
41 WIDESPREAD TRANSPORTATION ELECTRIFICATION WITHIN THE AREA
42 COVERED BY THE UTILITY'S CERTIFICATE OF PUBLIC CONVENIENCE AND
43 NECESSITY.

1 (b) TO COMPLY WITH THIS SUBSECTION (1), AN APPLICATION MUST
2 SEEK TO MINIMIZE OVERALL COSTS AND MAXIMIZE OVERALL BENEFITS AND
3 MAY INCLUDE:

4 (I) INVESTMENTS OR INCENTIVES TO FACILITATE THE DEPLOYMENT
5 OF CUSTOMER-OWNED OR UTILITY-OWNED CHARGING INFRASTRUCTURE,
6 INCLUDING CHARGING FACILITIES, MAKE-READY INFRASTRUCTURE, AND
7 ASSOCIATED ELECTRICAL EQUIPMENT THAT SUPPORT TRANSPORTATION
8 ELECTRIFICATION;

9 (II) INVESTMENTS OR INCENTIVES TO FACILITATE THE
10 ELECTRIFICATION OF PUBLIC TRANSIT AND OTHER VEHICLE FLEETS;

11 (III) RATE DESIGNS, OR PROGRAMS THAT ENCOURAGE VEHICLE
12 CHARGING THAT SUPPORTS THE OPERATION OF THE ELECTRIC GRID; AND

13 (IV) CUSTOMER EDUCATION, OUTREACH, AND INCENTIVE
14 PROGRAMS THAT INCREASE AWARENESS OF THE PROGRAMS AND OF THE
15 BENEFITS OF TRANSPORTATION ELECTRIFICATION AND ENCOURAGE
16 GREATER ADOPTION OF ELECTRIC VEHICLES.

17 (2) WHEN CONSIDERING TRANSPORTATION ELECTRIFICATION
18 PROGRAMS AND DETERMINING COST RECOVERY FOR INVESTMENTS AND
19 OTHER EXPENDITURES RELATED TO PROGRAMS PROPOSED BY AN ELECTRIC
20 UTILITY UNDER SUBSECTION (1) OF THIS SECTION, THE COMMISSION MAY
21 CONSIDER WHETHER THE INVESTMENTS AND OTHER EXPENDITURES ARE:

22 (a) REASONABLY EXPECTED TO IMPROVE THE USE OF THE ELECTRIC
23 GRID, INCLUDING IMPROVED INTEGRATION OF RENEWABLE ENERGY;

24 (b) REASONABLY EXPECTED TO INCREASE ACCESS TO THE USE OF
25 ELECTRICITY AS A TRANSPORTATION FUEL;

26 (c) DESIGNED TO ENSURE SYSTEM SAFETY AND RELIABILITY;

27 (d) (I) REASONABLY EXPECTED TO CONTRIBUTE TO MEETING AIR
28 QUALITY STANDARDS AND REDUCING STATEWIDE EMISSIONS OF
29 GREENHOUSE GASES BY FORTY PERCENT BELOW 2005 LEVELS BY 2030 AND
30 EIGHTY PERCENT BELOW 2005 LEVELS BY 2050.

31 (II) THIS SUBSECTION (2)(d) IS REPEALED, EFFECTIVE JULY 1, 2031.

32 (e) REASONABLY EXPECTED TO STIMULATE INNOVATION,
33 COMPETITION, AND INCREASED CONSUMER CHOICES IN ELECTRIC VEHICLE
34 CHARGING AND RELATED INFRASTRUCTURE AND SERVICES; ATTRACT
35 PRIVATE CAPITAL INVESTMENTS; AND UTILIZE HIGH-QUALITY JOBS AND
36 SKILLED WORKER TRAINING PROGRAMS AS DEFINED IN SECTION 8-83-303;

37 (f) TRANSPARENT, INCORPORATING PUBLIC REPORTING
38 REQUIREMENTS TO INFORM DESIGN AND COMMISSION POLICY; AND

39 (g) REASONABLY EXPECTED TO PROVIDE ACCESS FOR LOW-INCOME
40 CUSTOMERS, IN THE TOTALITY OF THE UTILITY'S TRANSPORTATION
41 ELECTRIFICATION PROGRAMS, WHILE GIVING DUE CONSIDERATION TO THE
42 IMPACT ON LOW-INCOME CUSTOMERS.

43 **SECTION 5. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety."

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