

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 15-0545.02 Duane Gall x4335

SENATE BILL 15-046

SENATE SPONSORSHIP

Grantham,

HOUSE SPONSORSHIP

Moreno,

Senate Committees

Agriculture, Natural Resources, & Energy

House Committees

A BILL FOR AN ACT

101 **CONCERNING REDUCING THE COST OF ATTAINMENT OF RENEWABLE**
102 **ENERGY STANDARDS BY ELECTRIC UTILITIES THAT ARE NOT**
103 **INVESTOR-OWNED, AND, IN CONNECTION THEREWITH,**
104 **ALLOWING PURCHASES OF ELECTRICITY FROM COMMUNITY**
105 **SOLAR GARDENS BY COOPERATIVE ELECTRIC ASSOCIATIONS TO**
106 **QUALIFY AS RETAIL DISTRIBUTED GENERATION.**

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://www.leg.state.co.us/billsummaries>.)

Under Colorado's renewable energy standard, by the year 2020,

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
March 10, 2015

cooperative electric associations and municipally owned electric utilities will be required to obtain at least 10% and, in the case of a large cooperative serving 100,000 or more customers, 20% of the electricity they sell at retail from renewable sources. Renewable sources include "retail distributed generation", defined as a renewable energy resource located on the site of the customer's facilities and interconnected on the customer's side of the meter. Rooftop solar panels are the most common form of retail distributed generation.

The bill allows these utilities to count each kilowatt-hour of electricity obtained through retail distributed generation as 3 kilowatt-hours for purposes of meeting the 2020 standard. In addition, the bill allows cooperative electric associations to use purchases from community solar gardens to meet the retail distributed generation component of the renewable energy standard.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-2-124, **amend** (1)

3 (c) (II) (A); and **add** (1) (c) (II) (A.5) as follows:

4 **40-2-124. Renewable energy standards - qualifying retail and**
5 **wholesale utilities - definitions - net metering - legislative declaration.**

6 (1) Each provider of retail electric service in the state of Colorado, other
7 than municipally owned utilities that serve forty thousand customers or
8 fewer, is a qualifying retail utility. Each qualifying retail utility, with the
9 exception of cooperative electric associations that have voted to exempt
10 themselves from commission jurisdiction pursuant to section 40-9.5-104
11 and municipally owned utilities, is subject to the rules established under
12 this article by the commission. No additional regulatory authority is
13 provided to the commission other than that specifically contained in this
14 section. In accordance with article 4 of title 24, C.R.S., the commission
15 shall revise or clarify existing rules to establish the following:

16 (c) Electric resource standards:

17 (II) (A) Of the amounts of distributed generation in

1 sub-subparagraphs (C), (D), and (E) of subparagraph (I),
2 sub-subparagraph (D) of subparagraph (V), and subparagraph (V.5) of
3 this paragraph (c), at least one-half must be derived from retail distributed
4 generation; except that this sub-subparagraph (A) does not apply to a
5 qualifying retail utility that is a municipal utility.

6 (A.5) NOTWITHSTANDING SUB-SUBPARAGRAPH (A) OF THIS
7 SUBPARAGRAPH (II), A QUALIFYING RETAIL UTILITY THAT IS A
8 COOPERATIVE ELECTRIC ASSOCIATION MAY SUBTRACT INDUSTRIAL RETAIL
9 SALES FROM TOTAL RETAIL SALES IN CALCULATING ITS MINIMUM RETAIL
10 DISTRIBUTED GENERATION REQUIREMENT.

11

12 **SECTION 2.** In Colorado Revised Statutes, 40-2-127, **add** (2) (b)
13 (I) (C) as follows:

14 **40-2-127. Community energy funds - community solar**
15 **gardens - definitions - rules - legislative declaration. (2) Definitions.**

16 As used in this section, unless the context otherwise requires:

17 (b) In addition:

18 (I) (C) NOTWITHSTANDING ANY PROVISION OF THIS SECTION OR
19 SECTION 40-2-124 TO THE CONTRARY, A COMMUNITY SOLAR GARDEN
20 CONSTITUTES RETAIL DISTRIBUTED GENERATION FOR PURPOSES OF A
21 COOPERATIVE ELECTRIC ASSOCIATION'S COMPLIANCE WITH THE
22 APPLICABLE RENEWABLE ENERGY STANDARD UNDER SECTION 40-2-124.

23 **SECTION 3. Act subject to petition - effective date.** This act
24 takes effect at 12:01 a.m. on the day following the expiration of the
25 ninety-day period after final adjournment of the general assembly
26 (August 5, 2015, if adjournment sine die is on May 6, 2015); except that,
27 if a referendum petition is filed pursuant to section 1 (3) of article V of

1 the state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2016 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.