

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 30, 2026
Date

Committee on Energy & Environment.

After consideration on the merits, the Committee recommends the following:

SB26-142 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend reengrossed bill, page 6, strike lines 4 through 8 and substitute:

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3 "(4) A LOCAL GOVERNMENT OR A PRIVATE ENTITY ON BEHALF OF
4 A LOCAL GOVERNMENT, OTHER THAN A PRIVATE ENTITY THAT IS A UTILITY
5 REGULATED BY THE PUBLIC UTILITIES COMMISSION OR AN AFFILIATE OF A
6 PUBLIC UTILITY, AS DEFINED IN SECTION 40-3-104.3 (4)(b), THAT
7 OPERATES, MAINTAINS, OR MANAGES A THERMAL ENERGY NETWORK IS
8 NOT A CONSIDERED A MUNICIPAL".

9 Page 6, line 11, after "(5) (a)" insert "(I)".

10 Page 6, after line 19 insert:

11 "(II) NOTHING IN THIS SECTION SHALL BE CONSTRUED AS
12 IMPACTING THE STATUTORY REQUIREMENTS RELATED TO THE LOCAL
13 GOVERNMENT ACQUISITION OF ELECTRICAL DISTRIBUTION
14 INFRASTRUCTURE."

15 Page 8, after line 3 insert:

16 "(10) (a) A PUBLIC ELECTRIC UTILITY THAT HAS A CERTIFICATE OF
17 PUBLIC CONVENIENCE AND NECESSITY ISSUED BY THE PUBLIC UTILITIES
18 COMMISSION TO PROVIDE RETAIL ELECTRIC SERVICE IN THE TERRITORY
19 WHERE A THERMAL ENERGY NETWORK FACILITY IS LOCATED HAS THE
20 EXCLUSIVE RIGHT TO PROVIDE ELECTRIC SERVICE TO THE THERMAL
21 ENERGY NETWORK FACILITY; EXCEPT THAT THIS SUBSECTION (10) DOES
22 NOT IMPACT A CUSTOMER'S RIGHT TO UTILIZE RETAIL DISTRIBUTED
23 GENERATION, AS DEFINED IN SECTION 40-2-124 (1)(a)(VIII).

1 (b) NOTHING IN THIS SECTION SHALL BE CONSTRUED AS IMPACTING
2 THE STATUTORY REQUIREMENTS RELATED TO A PUBLIC ELECTRIC UTILITY
3 OBTAINING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
4 ISSUED BY THE PUBLIC UTILITIES COMMISSION.
5 (11) (a) EMISSION REDUCTIONS ASSOCIATED WITH A THERMAL
6 ENERGY NETWORK THAT IS OPERATING IN ACCORDANCE WITH THIS
7 SECTION AND THAT IS WITHIN THE SERVICE TERRITORY OF A PUBLIC
8 UTILITY THAT IS REQUIRED TO FILE A CLEAN HEAT PLAN WITH THE PUBLIC
9 UTILITIES COMMISSION PURSUANT TO SECTION 40-3.2-108 SHALL BE
10 COUNTED AS PART OF THE PUBLIC UTILITY'S EMISSION REDUCTION
11 CALCULATIONS RELATED TO THE UTILITY'S CLEAN HEAT PLAN, EVEN IF THE
12 THERMAL ENERGY NETWORK IS CONSTRUCTED OR OPERATED WITHOUT
13 UTILITY INVESTMENT OR PARTICIPATION.
14 (b) THE PUBLIC UTILITIES COMMISSION SHALL PROHIBIT THE
15 DOUBLE COUNTING OF EMISSION REDUCTIONS ASSOCIATED WITH A
16 THERMAL ENERGY NETWORK.
17 (c) A LOCAL GOVERNMENT THAT CONSTRUCTS, DEVELOPS, OR
18 OPERATES A THERMAL ENERGY NETWORK SHALL NOTIFY THE PUBLIC
19 UTILITY THAT PROVIDES UTILITY SERVICE TO THE LOCATION WHERE THE
20 THERMAL ENERGY NETWORK IS LOCATED THAT THE LOCAL GOVERNMENT
21 WILL CONSTRUCT, DEVELOP, OR OPERATE A THERMAL ENERGY NETWORK
22 PRIOR TO BEGINNING CONSTRUCTION OF THE THERMAL ENERGY NETWORK
23 IN ORDER TO ALLOW FOR COORDINATION BETWEEN THE LOCAL
24 GOVERNMENT AND THE PUBLIC UTILITY RELATED TO THE UTILITY' CLEAN
25 HEAT PLAN, TO THE EXTENT PRACTICABLE."

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