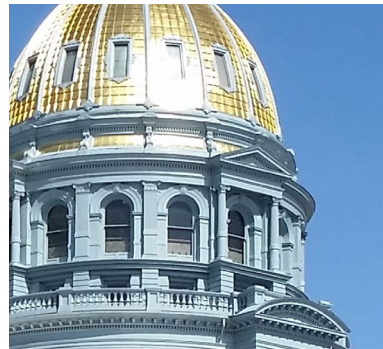


2019

Report to the Colorado General Assembly



Investor-owned Utility Review Interim Study Committee



Prepared by Legislative Council Staff
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December 2019

Investor-owned Utility Review Interim Study Committee

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December 2019

To Members of the Seventy-second General Assembly:

Submitted herewith is the final report of the Investor-owned Utility Review Interim Study Committee. This committee was created pursuant to Interim Committee Request Letter 2019-07. The purpose of the committee is to examine the programs and practices of electric investor-owned utilities (IOUs) in Colorado, with a particular focus on issues involving consumer choice and affordability in electric supply.

At its meeting on November 15, 2019, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2020 session was approved.

Sincerely,

/s/ Senator Leroy Garcia
Chair

Table of Contents

Committee Charge	1
Committee Activities.....	1
Public Utilities Commission	1
Colorado Energy Office	2
Investor-owned Utilities	2
Consumer Choice Panel	2
Energy Assistance Programs Panel	2
Colorado Rural Electric Association	3
Electricity Choice Panel.....	3
Summary of Recommendations	4
Bill A — PUC Study of Community Choice Energy	4
Bill B — Energy Efficiency Improvement Program Funding.....	4
Bill C — Consumer Protections for Utility Customers	5
Resource Materials	6
Meeting Date and Topics Discussed	6

The text of each bill is included as Attachments A through C after the resource materials page(s).

This report is also available online at:

<http://leg.colorado.gov/committees/investor-owned-utility-review-interim-study-committee/2019-regular-session>

Committee Charge

The Investor-owned Utility Review Interim Study Committee is charged with examining the programs and practices of electric investor-owned utilities (IOUs) in Colorado, with a particular focus on issues involving consumer choice and affordability in electric supply including:

- the IOUs' administration of energy assistance programs and the sufficiency of those programs based on best practices;
- the IOUs' administration of time-of-day or time-of-use metering programs, including pilot programs;
- whether an audit of any IOU consumer programs is warranted and, if so, to formulate the document to request the audit;
- what new or augmented reports an IOU should be required to provide the Public Utilities Commission or the General Assembly; and
- the role of community-aggregated choice in the consumer price of energy.

Committee Activities

The committee held two meetings during the 2019 interim. Briefings and presentations were made by a variety of state departments, electric organizations, and outside entities on a wide range of subjects, including:

- the Public Utilities Commission;
- the Colorado Energy Office;
- Xcel Energy;
- Blacks Hills Energy;
- consumer choice;
- energy assistance programs;
- the Colorado Rural Electric Association; and
- electricity choice.

The following sections discuss the committee's activities during the 2019 interim.

Public Utilities Commission

A representative of the Public Utilities Commission (PUC) presented to the committee on the energy landscape in Colorado and the state's energy policies. The representative from the PUC presented on the current energy landscape; ratemaking; the PUC's auditing authority; reporting by investor-owned utilities; municipal exit fees; private power companies; community choice aggregation; and electric vehicle and battery storage trends.

Colorado Energy Office

A representative of the Colorado Energy Office (CEO) presented to the committee on the energy portfolio in Colorado and the state's energy policies. The representative from the CEO discussed energy and technology trends; ratemaking; greenhouse gas reduction; and electric vehicle and battery storage trends.

Investor-owned Utilities

Representatives from Xcel Energy and Black Hills Energy, Colorado's two investor-owned utilities, presented to the panel about their operations in Colorado. Representatives from both organizations discussed ratemaking, electric rates, reporting requirements to the PUC, electric vehicles, and battery storage. Representatives from Black Hill Energy also provided an overview of the history of electric rates in southern Colorado and its customer-focused solutions.

Consumer Choice

The committee heard presentations from panelists about energy consumer choice in Colorado. Representatives from the Office of Consumer Counsel, AARP, Colorado Energy Consumers, and Western Resource Advocates discussed a wide range of topics impacting retail and industrial energy consumers. The Office of Consumer Counsel highlighted the impacts of community choice aggregation on retail consumers in other states. The AARP discussed community choice aggregation, as well as the effects of recent legislation on retail energy consumers. Colorado Energy Consumers discussed several recent legislative changes and highlighted some outstanding issues that could be addressed by the committee. Western Resources Advocates covered several topics, including clean energy, electric resource planning, Xcel Energy's Colorado Energy Plan, customer choice, and community choice aggregation.

Committee recommendations. As a result of its discussions about consumer choice, the committee recommends Bills A and C. Bill A directs the PUC to evaluate the viability of the wholesale, opt-out model of community choice energy (CCE) in Colorado. Bill C concerns several consumer choice protections for Colorado electric consumers.

Energy Assistance Programs

Representatives of the CEO, Energy Outreach Colorado, and the Department of Human Services (DHS) presented to the committee on energy assistance programs in Colorado. The CEO provided an overview of the Weatherization Assistance Program and highlighted its recent work. DHS gave an overview of the Low-Income Energy Assistance Program (LEAP), provided data on the number of citizens served, and discussed the relationship between LEAP and other energy assistance programs administered in Colorado. Energy Outreach Colorado discussed the organization's work and advocacy, including the organization's crisis energy services, bill assistance, emergency heating services, energy efficiency, and long-term utility bill affordability services.

Committee recommendations. As a result of its discussions on energy assistance programs, the committee recommends Bill B, which establishes conditional annual transfers from the General Fund to both the Energy Outreach Colorado Low-income Energy Assistance Fund and the CEO Low-income Energy Assistance Fund. The transfers take place if the amount of severance tax revenue transferred to either fund in a given year falls below \$1.0 million.

Colorado Rural Electric Association

Representatives of the Colorado Rural Electric Association presented to the committee on electric cooperatives. In addition, representatives of two electric co-ops, San Isabel Electric Association and Intermountain Rural Electric Association, presented about their operations in Colorado. They also discussed the mission and infrastructure costs for electric co-ops and highlighted renewable energy options for electric co-ops.

Electricity Choice Panel

Representatives from the National Conference on State Legislatures, Colorado Communities for Climate Action, City of Fort Collins Utilities, and independent advocates presented on electricity choice in Colorado. Representatives discussed community choice aggregation, renewable energy initiatives, the current options for local jurisdictions to choose electric providers, and the recent work of community choice advocates.

Summary of Recommendations

As a result of the committee's activities, the committee recommended three bills to the Legislative Council for consideration in the 2020 session. At its meeting on November 15, 2019, the Legislative Council approved the bills for introduction. The approved bills are described below.

Bill A — PUC Study of Community Choice Energy

The bill directs the PUC in the Department of Regulatory Agencies (DORA) to evaluate the viability of the wholesale, opt-out model of community choice energy (CCE) in Colorado. CCE is defined as a mechanism that allows cities, counties, or groups of cities and counties, to combine their purchasing power and choose alternative electricity suppliers while the incumbent utility continues to own and operate the transmission and distribution system. The PUC is directed to study CCE through a third-party feasibility study and an investigatory docket.

Third-party feasibility study. The PUC is directed to oversee a study on the financial and technical feasibility of allowing CCE in Colorado. The commission must select a qualified agent to perform the study and collect data necessary to conduct the study from investor-owned electric utilities. The study must estimate any transition fees that communities forming a CCE authority would be required to pay to their existing electric utilities and recommend legislative and regulatory modifications needed to implement CCE in Colorado, among other requirements. The commission must report the conclusions of the study to the energy committees of the General Assembly by November 30, 2020.

Investigatory docket. The PUC is directed to open an investigatory docket by September 1, 2020, to consider the regulatory and legal implications of CCE legislation and provide recommendations to the General Assembly. In the proceeding, the PUC must accept testimony and documentation from a broad and inclusive range of stakeholders and presenters.

The PUC must submit a report summarizing its findings and recommendations to the General Assembly by January 1, 2021. The conclusions should include best practices and lessons learned from other states on many aspects of CCE, as detailed in the bill.

Bill B — Energy Efficiency Improvement Program Funding

Beginning in FY 2020-21, the bill establishes conditional annual transfers from the General Fund to both the Energy Outreach Colorado Low-income Energy Assistance Fund and the Colorado Energy Office Low-income Energy Assistance Fund. The transfers take place if the amount of severance tax revenue transferred to either fund in a given year falls below \$1.0 million. The amount transferred to either fund is 75 percent of the difference between \$1.0 million and the amount of severance tax received for the year. The conditional General Fund transfers are authorized for four years and are repealed on September 1, 2024.

Bill C — Consumer Protections for Utility Customers

The bill imposes various requirements on public utilities and the PUC in DORA related to information reporting, billing, and customer interactions.

Medical exemption from tiered electricity rates. The bill directs the PUC to require utilities under its authority to report on the number of the utility's customers who receive the medical exemption from tiered electricity rates, and to describe the efforts the utilities have undertaken to enroll qualified individuals into the program on a periodic reporting basis beginning September 1, 2020.

Disconnecting electric or gas service. The bill requires the PUC to open a proceeding to adopt standard practices for gas and electric utilities to use when disconnecting service due to nonpayment by September 1, 2020. Among other requirements outlined in the bill, the rules must address the following subjects:

- providing shut-off notices in multiple languages, as appropriate;
- limiting shut-off times to between 6 a.m. and 2 p.m.;
- terms and conditions for payment plans to cure delinquency and standardized reconnection fees and practices;
- referral of delinquent customers to energy-assistance programs;
- protections for customers for whom electricity is medically necessary;
- prohibiting disconnection of service during periods of extreme heat or cold;
- prohibiting disconnection of service remotely, without a personal, physical visit to the premises or a live telephone conversation with the customer; and
- reporting information concerning disconnections and delinquencies.

Customer consent for billing methodology changes. As of September 1, 2020, the bill requires public utilities to obtain an explicit opt-in before employing a non-standard billing rate such as time-of-use, inverted block, or flat rate.

Reporting to the PUC. The bill requires that reports submitted to the PUC by public utilities be made under oath or affirmation. It further requires that every public utility that reports information on disconnections and delinquencies also file an annual report analyzing data trends or inconsistencies.

Credit reporting. The bill directs the PUC to open a nonadjudicatory proceeding to consider the merits of requiring utilities to report positive information about customer payment history to credit reporting agencies. The PUC must file a report with the energy committees of the General Assembly by March 15, 2021, summarizing the results of the proceeding, including any recommendations regarding credit reporting.

Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

<https://leg.colorado.gov/content/committees>

Meeting Date and Topics Discussed

August 22, 2019

- ♦ Colorado Energy Office
- ♦ Public Utilities Commission
- ♦ Colorado's investor-owned utilities
- ♦ Consumer choice
- ♦ Energy assistance programs
- ♦ Public testimony
- ♦ Interim bill draft requests and discussion

October 3, 2019

- ♦ Colorado Rural Electric Association
- ♦ Electricity choice
- ♦ Public testimony
- ♦ Interim bill draft approvals

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

Attachment A

BILL A

LLS NO. 20-0252.01 Duane Gall x4335

HOUSE BILL

HOUSE SPONSORSHIP

Hooton, Kennedy

SENATE SPONSORSHIP

(None),

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING INVESTIGATIONS BY THE PUBLIC UTILITIES COMMISSION**
102 **TO EVALUATE THE IMPLICATIONS OF ALLOWING COMMUNITY**
103 **CHOICE OF WHOLESALE ELECTRIC SUPPLY IN COLORADO**
104 **THROUGH THE VEHICLE OF COMMUNITY CHOICE ENERGY**
105 **AUTHORITIES.**

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://leg.colorado.gov/>.)

Investor-owned Utility Review Interim Study Committee. The bill declares that the concept of "community choice energy" (CCE), under

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

which a community may choose to purchase electricity at wholesale through a supplier other than the local investor-owned electric utility, has the potential to enable communities to meet their renewable energy goals and save money without disrupting the local utility's current status as sole supplier of transmission, distribution, and customer service functions. To lay the groundwork for potential adoption of CCE in Colorado, the bill proposes 2 studies:

- A feasibility study, conducted by an independent energy expert under the guidance of the public utilities commission (PUC), to examine the financial and technical requirements that would need to be met for CCE to be viable and beneficial; and
- An investigatory proceeding at the PUC, inviting testimony and documentation from persons with firsthand knowledge of utility operations, CCE, or both, including regulators from other states in which CCE has been implemented. The goal of the investigation is to identify best practices and recommend legislative changes that would allow CCE to function well in Colorado if adopted.

The bill directs that reports of the results of the feasibility study and the investigatory docket be given to the legislative committees with jurisdiction over energy matters in late 2020.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 40-4-120 as
3 follows:

4 **40-4-120. Community choice in wholesale electric supply -**
5 **investigation and analysis - duties of commission - reports - legislative**
6 **declaration - definition - repeal. (1) Legislative declaration. (a) THE**
7 GENERAL ASSEMBLY FINDS AND DETERMINES THAT:

8 (I) AT LEAST A DOZEN COMMUNITIES IN COLORADO, KNOWN AS
9 THE "READY FOR 100" CITIES, HAVE COMMITTED TO OBTAINING ONE
10 HUNDRED PERCENT RENEWABLE ENERGY BY 2025 TO 2035. IN ADDITION,
11 AT LEAST TWO DOZEN COMMUNITIES, KNOWN AS "COLORADO
12 COMMUNITIES FOR CLIMATE ACTION", HAVE ORGANIZED TO ADVOCATE
13 FOR CLIMATE CHANGE SOLUTIONS. THESE COMMUNITIES, WHICH

1 REPRESENT MORE THAN ONE MILLION COLORADANS, CANNOT REACH
2 THEIR ENERGY AND CLIMATE GOALS WITHIN THEIR DESIRED TIME PERIODS
3 UNLESS THEY ARE GIVEN GREATER CHOICE AND CONTROL OVER THEIR
4 WHOLESALE ELECTRICITY SUPPLY.

5 (II) A KEY ELEMENT OF THE GOVERNOR'S POLICY INITIATIVE,
6 ENTITLED "ROADMAP TO 100% RENEWABLE ENERGY BY 2040 AND BOLD
7 CLIMATE ACTION", PRIORITIZES SUPPORTING LOCAL COMMITMENTS TO
8 ONE HUNDRED PERCENT RENEWABLE ENERGY.

9 (III) THE ABILITY OF A COMMUNITY TO ACHIEVE ITS ENERGY
10 GOALS IS CURRENTLY LIMITED BY THE ENERGY SUPPLY AND
11 DECARBONIZATION TIMELINE OF THE ELECTRIC UTILITY THAT SERVES THAT
12 COMMUNITY'S GEOGRAPHIC AREA. THE ABILITY TO PROCURE ELECTRICITY
13 FROM ALTERNATIVE WHOLESALE SUPPLIERS MAY ENABLE COMMUNITIES
14 TO ACHIEVE THEIR ENERGY GOALS SUBSTANTIALLY FASTER AND MORE
15 COST-EFFECTIVELY.

16 (IV) THE STUDY OF COMMUNITY CHOICE ENERGY (CCE), ALSO
17 COMMONLY KNOWN AS COMMUNITY CHOICE AGGREGATION OR CCA,
18 WHICH IS A LOCAL ENERGY MODEL THAT HAS BEEN ADOPTED IN A NUMBER
19 OF STATES AND IS PROVING TO BE EFFECTIVE FOR COMMUNITIES IN
20 ACHIEVING THEIR RENEWABLE ENERGY GOALS, WOULD ANSWER KEY
21 QUESTIONS AND ILLUMINATE THE POTENTIAL BENEFITS AND CHALLENGES
22 OF ADAPTING THAT MODEL FOR USE IN COLORADO.

23 (V) UNDER CCE, COMMUNITIES MAY CHOOSE THEIR WHOLESALE
24 ELECTRICITY SUPPLIERS WHILE CONTINUING TO HAVE THE ELECTRICITY
25 DELIVERED BY THE INCUMBENT UTILITY. THE CCE OPTION ALLOWS
26 COMMUNITIES TO CHOOSE AMONG WHOLESALE POWER SUPPLIERS WITHOUT
27 INTERFERING WITH NON-PROCUREMENT-RELATED UTILITY OPERATIONS.

1 (VI) IN THE CCE SCENARIO, AN INVESTOR-OWNED ELECTRIC
2 UTILITY WOULD CONTINUE TO OWN AND OPERATE ITS TRANSMISSION AND
3 DISTRIBUTION SYSTEM, BUT THE UTILITY WOULD NO LONGER HAVE A
4 MONOPOLY ON PROVIDING THE ELECTRICITY SUPPLY TO THE JURISDICTION.
5 UTILITIES WOULD CONTINUE TO OWN THEIR POWER GENERATION, BUT IF
6 A COMMUNITY CHOOSES TO ADOPT CCE IN PURSUIT OF MORE AFFORDABLE
7 ELECTRICITY RATES AND MORE AGGRESSIVE RENEWABLE ENERGY OR
8 OTHER GOALS, THE UTILITY WOULD DELIVER THE ELECTRICITY FROM ONE
9 OR MORE ALTERNATIVE SUPPLIERS AND BE APPROPRIATELY COMPENSATED
10 FOR ITS TRANSMISSION AND DISTRIBUTION SERVICES. IN THE WHOLESALE,
11 OPT-OUT MODEL OF CCE, INDIVIDUAL CUSTOMERS ARE AUTOMATICALLY
12 ENROLLED AND RETAIN THE RIGHT TO OPT OUT OF THEIR COMMUNITY'S
13 CCE OFFERINGS AND RECEIVE ELECTRICITY SUPPLIED BY THE UTILITY
14 UNDER ITS TRADITIONAL "BUNDLED SERVICE". THE GENERAL ASSEMBLY
15 SPECIFICALLY FINDS THAT THE OPT-IN MODEL OF CCE, WHERE INDIVIDUAL
16 CUSTOMERS ARE NOT AUTOMATICALLY ENROLLED IN CCE, IS A KNOWN
17 RECIPE FOR FAILURE, AND THAT THE RETAIL MODEL OF CCE PRACTICED IN
18 DEREGULATED RETAIL CHOICE STATES DOES NOT PROMOTE THE
19 CONDITIONS NEEDED FOR DEVELOPMENT OF HIGH LEVELS OF RENEWABLE
20 ENERGY.

21 (VII) A WELL-DESIGNED WHOLESALE, OPT-OUT CCE PROGRAM
22 WOULD INTRODUCE AN ELEMENT OF WHOLESALE COMPETITION AND
23 COMMUNITY-LEVEL CHOICE INTO THE SUPPLY OF ELECTRICITY, LIKELY
24 DRIVING LOWER RATES AND CLEANER ENERGY, WHILE MAINTAINING THE
25 VIABILITY AND STRENGTH OF COLORADO'S EXISTING INVESTOR-OWNED
26 ELECTRIC UTILITIES AND WITHOUT IMPOSING ADDITIONAL COSTS ON THE
27 UTILITY OR ITS BUNDLED-SERVICE CUSTOMERS. CCE COULD ALSO PROVIDE

1 COMMUNITIES THAT HAVE AMBITIOUS RENEWABLE ENERGY GOALS WITH
2 A MEANS TO REACH THOSE GOALS MORE QUICKLY AND COST-EFFECTIVELY.

3 (VIII) THIS SECTION PERTAINS ONLY TO A STUDY OF CCE, NOT ITS
4 IMPLEMENTATION. WHILE CCE SHOWS THE POTENTIAL TO ALLOW
5 COLORADO COMMUNITIES TO MAKE LOCAL ENERGY DECISIONS, MEET
6 THEIR ENERGY GOALS, REDUCE ENERGY COSTS, FOSTER LOCAL ECONOMIC
7 DEVELOPMENT, AND KEEP ENERGY DOLLARS CIRCULATING LOCALLY, IT IS
8 PRUDENT TO STUDY THE ECONOMIC AND TECHNICAL FEASIBILITY AND THE
9 REGULATORY IMPLICATIONS AND LEGAL IMPACTS OF CCE BEFORE
10 CONSIDERING CCE-ENABLING LEGISLATION.

11 (IX) CCE IS AN INNOVATIVE CONCEPT, WHICH OTHER STATES
12 HAVE ALREADY SUCCESSFULLY IMPLEMENTED, GIVING COLORADO THE
13 OPPORTUNITY TO IDENTIFY BEST PRACTICES AND LESSONS LEARNED FROM
14 THEIR EXPERIENCES. THE TWO INDEPENDENT STUDIES DESCRIBED IN THIS
15 SECTION WILL ANSWER KEY QUESTIONS ABOUT THE VIABILITY OF CCE IN
16 COLORADO AND WILL AID IN DETERMINING THE OPTIMAL APPROACH FOR
17 CCE LEGISLATION IN COLORADO IF THE STUDIES SHOW NET BENEFITS FOR
18 COLORADO COMMUNITIES AND THE STATE. THE STUDIES WILL PROVIDE
19 THE INFORMATION NEEDED TO DETERMINE WHETHER THE APPARENT
20 PROMISE OF CCE FOR COLORADO'S ENERGY AND ECONOMIC FUTURE HAS
21 MERIT.

22 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS IN
23 THE PUBLIC INTEREST TO DIRECT THE COMMISSION TO EVALUATE THE
24 VIABILITY OF THE WHOLESALE, OPT-OUT MODEL OF CCE IN COLORADO
25 AND TO ANSWER KEY QUESTIONS ABOUT CCE IN COLORADO IN TWO
26 SPECIFIC WAYS:

27 (I) BY OVERSEEING A THIRD-PARTY FINANCIAL AND TECHNICAL

1 FEASIBILITY STUDY; AND

2 (II) BY CONDUCTING ITS OWN INVESTIGATORY PROCEEDING USING
3 THE MECHANISM OF AN INVESTIGATORY DOCKET TO STUDY REGULATORY
4 AND LEGAL ISSUES.

5 (2) **Definition.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
6 OTHERWISE REQUIRES, "COMMUNITY CHOICE ENERGY" OR "CCE" MEANS
7 A MECHANISM THAT ALLOWS CITIES OR COUNTIES, OR GROUPS OF CITIES
8 AND COUNTIES, TO COMBINE THEIR PURCHASING POWER AND CHOOSE ONE
9 OR MORE ALTERNATIVE WHOLESALE ELECTRICITY SUPPLIERS ON BEHALF
10 OF THE RESIDENTS, BUSINESSES, AND MUNICIPAL FACILITIES IN THE
11 JURISDICTION WHILE THE INCUMBENT UTILITY CONTINUES TO OWN AND
12 OPERATE ITS TRANSMISSION AND DISTRIBUTION SYSTEM AND DELIVER THE
13 ELECTRICITY.

14 (3) **Feasibility study.** (a) IN ACCORDANCE WITH THIS SUBSECTION
15 (3), THE COMMISSION SHALL OVERSEE, AND REPORT TO THE GENERAL
16 ASSEMBLY THE CONCLUSIONS OF, A STUDY ON THE FINANCIAL AND
17 TECHNICAL FEASIBILITY OF ALLOWING CCE IN COLORADO.

18 (b) THE COMMISSION SHALL:

19 (I) SELECT, THROUGH A TRANSPARENT, COMPETITIVE PROCESS, AN
20 INDEPENDENT AND QUALIFIED AGENT TO PERFORM THE STUDY;

21 (II) DETERMINE THE SCOPE OF, AND SPECIFIC QUESTIONS TO BE
22 ADDRESSED BY, THE STUDY, SUBJECT TO THE GUIDELINES SET FORTH IN
23 THIS SUBSECTION (3);

24 (III) ACQUIRE THE DATA NECESSARY TO EFFECTIVELY CONDUCT
25 THE STUDY FROM THE INVESTOR-OWNED ELECTRIC UTILITIES IN A TIMELY
26 FASHION, UTILIZING CONFIDENTIALITY AND NONDISCLOSURE AGREEMENTS
27 ONLY IF CUSTOMER-SPECIFIC DATA ARE NEEDED; AND

1 (IV) REPORT THE PROCESS AND CONCLUSIONS OF THE STUDY, ON
2 OR BEFORE NOVEMBER 30, 2020, TO THE TRANSPORTATION AND ENERGY
3 COMMITTEE OF THE SENATE AND THE ENERGY AND ENVIRONMENT
4 COMMITTEE OF THE HOUSE OF REPRESENTATIVES OR THEIR SUCCESSOR
5 COMMITTEES.

6 (c) THE PURPOSE OF THE FINANCIAL COMPONENT OF THE STUDY IS
7 TO ASSESS FINANCIAL FEASIBILITY AND RISK, INCLUDING THE POTENTIAL
8 FOR RATE COMPETITIVENESS AND AN ESTIMATE OF THE AMOUNT AND
9 DURATION OF ANY TRANSITION FEES, ALSO KNOWN AS EXIT FEES, THAT
10 COMMUNITIES FORMING A CCE AUTHORITY WOULD PAY TO OFFSET THEIR
11 FAIR SHARE OF THE COSTS OF UTILITY ASSETS AND CONTRACTS THAT WERE
12 PROCURED ON THEIR BEHALF AND PREVIOUSLY APPROVED. THE AGENT
13 SHALL MAKE THESE ASSESSMENTS USING INDUSTRY BEST PRACTICES AND
14 ASSUMING A RANGE OF SCENARIOS THAT INCLUDE:

15 (I) THE LEVEL OF CCE PARTICIPATION IN COLORADO, INCLUDING
16 BOTH THE NUMBER OF ELIGIBLE COMMUNITIES THAT CHOOSE TO FORM OR
17 JOIN A CCE AUTHORITY AND THE ASSUMED OPT-OUT RATE OF THEIR
18 CUSTOMERS, TO EVALUATE THE MARKET SCALE AND REVENUE
19 GENERATION NEEDED FOR CCE TO SUCCEED IN COLORADO;

20 (II) ELEMENTS TO BE INCLUDED IN THE COST RECOVERY
21 CONSIDERATION, INCLUDING THE AGE AND TIME OF SERVICE
22 COMMENCEMENT OF GENERATION ASSETS AND EXISTING CONTRACTS; AND

23 (III) RATE ANALYSIS TO DETERMINE THE ABILITY OF CCE TO BE
24 COST-COMPETITIVE IN COLORADO, INCLUDING CONSIDERATION OF
25 REASONABLY ANTICIPATED TRENDS AND CONTINGENCIES AFFECTING THE
26 PRICES OF FOSSIL FUELS AND RENEWABLE RESOURCES.

27 (d) THE PURPOSES OF THE TECHNICAL COMPONENT OF THE STUDY

1 ARE TO:

2 (I) PROVIDE INFORMATION ON REGULATORY AND POLICY
3 CONSIDERATIONS FOR FORMING CCE AUTHORITIES IN A STATE THAT DOES
4 NOT CURRENTLY BELONG TO A REGIONAL TRANSMISSION ORGANIZATION;

5 (II) RECOMMEND LEGISLATIVE LANGUAGE THAT:

6 (A) REAFFIRMS THE FEDERAL ENERGY REGULATORY COMMISSION'S
7 ORDER 888, ISSUED APRIL 24, 1996, CONCERNING OPEN ACCESS
8 TRANSMISSION TARIFFS; AND

9 (B) AUTHORIZES THE COMMISSION TO ESTABLISH FAIR
10 TRANSMISSION ACCESS RULES AND PRICING;

11 (III) ASSESS THE IMPLICATIONS OF CCE FOR RESOURCE ADEQUACY
12 AND RELIABILITY;

13 (IV) RECOMMEND LEGISLATIVE OR ADMINISTRATIVE MEASURES,
14 OR BOTH, CONCERNING WHOLESALE MARKET ACCESS AND DEVELOPMENT
15 IN COLORADO; AND

16 (V) CONSIDER OTHER LEGISLATIVE AND REGULATORY
17 MODIFICATIONS NECESSARY TO SUCCESSFULLY IMPLEMENT CCE IN
18 COLORADO.

19 (4) **Investigatory docket.** (a) ON OR BEFORE SEPTEMBER 1, 2020,
20 AND IN ACCORDANCE WITH THIS SUBSECTION (4), THE COMMISSION SHALL
21 OPEN AN INVESTIGATORY DOCKET TO ACCEPT TESTIMONY AND
22 DOCUMENTATION FROM STAKEHOLDERS, INDEPENDENT ENERGY AND
23 UTILITY EXPERTS, REGULATORS FROM STATES IN WHICH CCE HAS BEEN
24 IMPLEMENTED OR IS UNDER CONSIDERATION, AND COMMISSION STAFF. THE
25 GOAL OF THE PROCEEDING IS TO CONSIDER THE REGULATORY
26 IMPLICATIONS AND LEGAL IMPACTS OF CCE LEGISLATION AND PROVIDE
27 RECOMMENDATIONS TO THE GENERAL ASSEMBLY. CONCLUSIONS SHOULD

1 INCLUDE BEST PRACTICES AND LESSONS LEARNED FROM OTHER STATES
2 THAT HAVE ENABLED CCE AT THE WHOLESALE LEVEL. THE COMMISSION
3 SHALL EMPLOY PROCEDURES THAT PROMOTE A PRODUCTIVE, EFFECTIVE,
4 AND EVIDENCE-BASED PROCESS.

5 (b) THE COMMISSION SHALL SOLICIT INPUT FROM A BROADLY
6 INCLUSIVE RANGE OF STAKEHOLDERS AND PRESENTERS TO ENSURE THAT
7 THE PROCESS IS NOT DOMINATED BY ANY ONE GROUP OR VIEWPOINT.
8 STAKEHOLDERS AND PRESENTERS MAY INCLUDE:

9 (I) COMMUNITIES WITH DECLARED GOALS REGARDING CARBON
10 EMISSIONS OR ENERGY SUPPLY CHOICES;

11 (II) BUSINESS GROUPS;

12 (III) ENVIRONMENTAL ADVOCATES;

13 (IV) CONSUMER ADVOCATES;

14 (V) ELECTRIC UTILITIES, INCLUDING INVESTOR-OWNED ELECTRIC
15 UTILITIES, COOPERATIVE ELECTRIC ASSOCIATIONS, AND DISTRIBUTION
16 COOPERATIVES;

17 (VI) INDEPENDENT POWER PRODUCERS;

18 (VII) POWER MARKETERS;

19 (VIII) RENEWABLE ENERGY DEVELOPERS;

20 (IX) CONSULTANTS OR OTHER EXPERTS IN ENERGY PROJECT
21 FINANCING;

22 (X) CONSULTANTS OR OTHER EXPERTS IN ENERGY EFFICIENCY AND
23 DISTRIBUTED ENERGY RESOURCES; AND

24 (XI) MEMBERS OF THE GENERAL PUBLIC.

25 (c) THE TOPICS AND QUESTIONS TO BE EXPLORED IN THE DOCKET
26 MAY INCLUDE:

27 (I) WHETHER THE COMMISSION REQUIRES ADDITIONAL STATUTORY

1 AUTHORITY TO CONDUCT A RULE-MAKING PROCEEDING CONCERNING THE
2 CREATION OF CCE AUTHORITIES IN COLORADO;

3 (II) THE APPROPRIATE SCOPE OF REGULATORY OVERSIGHT OF CCE
4 OPERATIONS, ON A SCALE RANGING FROM COMPREHENSIVE TO MINIMAL;

5 (III) WHICH ASPECTS, IF ANY, OF CURRENT OR ANTICIPATED
6 INVESTOR-OWNED ELECTRIC UTILITY REGULATION BY THE COMMISSION
7 SHOULD APPLY TO CCE AUTHORITIES AS WELL, INCLUDING REGULATION
8 IN THE AREAS OF:

9 (A) RESOURCE ADEQUACY PLANNING;

10 (B) COMPLIANCE WITH RENEWABLE ENERGY STANDARDS;

11 (C) DEMAND-SIDE MANAGEMENT REQUIREMENTS; AND

12 (D) TIME-OF-USE RATES OR OTHER RATE REQUIREMENTS IF
13 MANDATED FOR INVESTOR-OWNED ELECTRIC UTILITIES;

14 (IV) THE APPROPRIATE CONSIDERATIONS FOR ESTABLISHING
15 REASONABLE EXIT FEES AT A LEVEL THAT PROVIDES COST RECOVERY FOR
16 STRANDED INVESTOR-OWNED ELECTRIC UTILITY ASSETS AND CONTRACTS
17 BUT DOES NOT UNDULY BURDEN PROSPECTIVE CCE CUSTOMERS,
18 INCLUDING THE POTENTIAL FOR EXIT FEES TO VARY OVER TIME OR BY
19 LOCATION, THE ESTABLISHMENT OF A SPECIFIC EXPIRATION PERIOD FOR
20 EXIT FEES, MEASURES TO MITIGATE EXIT FEE IMPACTS THROUGH
21 CONTRACT TRANSFER OR RESALE, AND APPROPRIATE FORECASTING OF
22 DEPARTING LOAD TO AVOID OVER-PROCUREMENT;

23 (V) THE APPROPRIATE CONDITIONS, LIMITATIONS, AND
24 PROCEDURES UNDER WHICH CUSTOMERS MAY OPT OUT OF CCE AND
25 RECEIVE BUNDLED SERVICE FROM THE INVESTOR-OWNED ELECTRIC
26 UTILITY;

27 (VI) WHETHER ANY OTHER CONSUMER PROTECTIONS WOULD BE

1 REQUIRED, AND THE MEANS OF PROVIDING THOSE PROTECTIONS;

2 (VII) STRATEGIES FOR OVERCOMING ANY CHALLENGES TO THE

3 AVAILABILITY OF CREDIT FOR THE STARTUP OR CONTINUING OPERATION OF

4 CCE PROGRAMS;

5 (VIII) WHAT REGULATORY AND LEGAL ISSUES HAVE ARISEN IN

6 OTHER STATES THAT HAVE ADOPTED THE WHOLESALE, OPT-OUT MODEL OF

7 CCE, AND POSSIBLE SOLUTIONS FOR THOSE ISSUES;

8 (IX) WHETHER AN INVESTOR-OWNED ELECTRIC UTILITY THAT

9 REMAINS THE SOLE PROVIDER OF DISTRIBUTION, TRANSMISSION, AND

10 OTHER SERVICES TRADITIONALLY PROVIDED BY THE UTILITY, SUCH AS

11 METERING AND BILLING, SHOULD ALSO BE THE PROVIDER OF LAST RESORT

12 FOR SUPPLYING ELECTRICITY TO CUSTOMERS WHO OPT OUT OF CCE;

13 (X) THE APPROPRIATE PROCESS FOR APPROVAL OF CCE ON BEHALF

14 OF CUSTOMERS WITHIN A JURISDICTION;

15 (XI) WHAT REGULATORY OVERSIGHT, IF ANY, SHOULD APPLY TO

16 RESOURCE PROCUREMENT FOR CCE AUTHORITIES, FOR EXAMPLE IN THE

17 AREAS OF:

18 (A) STANDARDS FOR REQUESTS FOR PROPOSALS; OR

19 (B) ASSURANCE OF RELIABILITY;

20 (XII) WHETHER LEGISLATION SHOULD BE ADOPTED OR AMENDED

21 TO GUARANTEE OPEN ACCESS AND FAIR PRICES FOR TRANSMISSION

22 SERVICES;

23 (XIII) WHAT MINIMUM REQUIREMENTS SHOULD APPLY TO

24 INDEPENDENT POWER PRODUCERS AND POWER MARKETERS WHO WISH TO

25 SUPPLY ENERGY TO A CCE AUTHORITY;

26 (XIV) WHAT, IF ANY, DATA-SHARING REQUIREMENTS SHOULD BE

27 IMPOSED ON INVESTOR-OWNED ELECTRIC UTILITIES TO HELP ENSURE THAT

1 A CCE AUTHORITY OR A JURISDICTION INVESTIGATING WHETHER TO FORM
2 OR JOIN A CCE AUTHORITY CAN REASONABLY EVALUATE ITS FINANCIAL
3 AND TECHNICAL VIABILITY AND IMPLEMENT ITS CCE PROGRAM; AND

4 (XV) WHETHER THE INCREASING INTEGRATION OF DISTRIBUTED
5 ENERGY RESOURCES SUCH AS ROOFTOP SOLAR, COMMUNITY SOLAR, AND
6 BATTERY ENERGY STORAGE INTO DISTRIBUTION SYSTEMS WOULD
7 FACILITATE OR IMPEDE THE IMPLEMENTATION OF CCE OR, CONVERSELY,
8 WHETHER CCE WILL FACILITATE OR IMPEDE THE DEVELOPMENT OF
9 DISTRIBUTED ENERGY RESOURCES.

10 (d) **Report.** THE COMMISSION SHALL SUMMARIZE ITS FINDINGS,
11 CONCLUSIONS, AND RECOMMENDATIONS FROM THE INVESTIGATORY
12 DOCKET IN A FINAL REPORT TO THE TRANSPORTATION AND ENERGY
13 COMMITTEE OF THE SENATE AND THE ENERGY AND ENVIRONMENT
14 COMMITTEE OF THE HOUSE OF REPRESENTATIVES OR THEIR SUCCESSOR
15 COMMITTEES. THE COMMISSION SHALL SUBMIT THE REPORT ON OR BEFORE
16 JANUARY 1, 2021. RECOMMENDATIONS MAY BE SPLIT INTO MAJORITY
17 VIEWS AND DISSENTING VIEWS IF NECESSARY.

18 (5) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1,
19 2023.

20 **SECTION 2. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, or safety.

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

Attachment B

BILL B

LLS NO. 20-0253.02 Jennifer Berman x3286

HOUSE BILL

HOUSE SPONSORSHIP

Kennedy,

SENATE SPONSORSHIP

(None),

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE STABILIZATION OF STATE FUNDING FOR ENERGY**
102 **EFFICIENCY IMPROVEMENT PROGRAMS.**

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://leg.colorado.gov/>.)

Investor-owned Utility Review Interim Study Committee. To ensure consistent funding of energy efficiency improvement programs, including the state weatherization assistance program, the bill establishes a formula by which the general assembly will authorize the state treasurer to transfer money from the general fund to the Colorado energy office low-income energy assistance fund or the energy outreach Colorado

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

low-income energy assistance fund for use for energy efficiency improvement programs if, in a given year, an amount less than \$1 million is transferred from the severance tax operational fund to the Colorado energy office low-income energy assistance fund or the energy outreach Colorado low-income energy assistance fund. The formula calls for a transfer of money from the general fund in an amount equal to 75% of the difference between the amount transferred from the severance tax operational fund to one of the funds and \$1 million.

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-8.7-112, **amend**
3 (2)(a) and (3)(a); and **add** (3.5) as follows:

4 **40-8.7-112. Department of human services low-income energy**
5 **assistance fund - creation - energy outreach Colorado low-income**
6 **energy assistance fund - creation - Colorado energy office low-income**
7 **energy assistance fund - creation - legislative declaration - definitions**
8 **- repeal.** (2) (a) There is hereby created in the state treasury the energy
9 outreach Colorado low-income energy assistance fund, which ~~shall be~~ IS
10 administered by the Colorado energy office and ~~shall consist~~ CONSISTS of
11 all ~~moneys~~ MONEY transferred by the state treasurer as specified in section
12 39-29-109.3 (2)(f) ~~C.R.S.~~ AND ALL MONEY TRANSFERRED TO THE FUND
13 PURSUANT TO SUBSECTION (3.5) OF THIS SECTION. All ~~moneys~~ MONEY in
14 the fund ~~are~~ IS continuously appropriated to the Colorado energy office
15 for distribution to the organization to be used for the purposes set forth in
16 this subsection (2). All ~~moneys~~ MONEY in the fund at the end of each
17 fiscal year shall be retained in the fund and ~~shall~~ DOES not revert to the
18 general fund or any other fund.

19 (3) (a) There is hereby created in the state treasury the Colorado
20 energy office low-income energy assistance fund, which ~~shall be~~ IS
21 administered by the Colorado energy office and ~~shall consist~~ CONSISTS of

1 all ~~moneys~~ MONEY transferred by the treasurer as specified in section
2 39-29-109.3 (2)(f), ~~C.R.S.~~ ALL MONEY TRANSFERRED TO THE FUND
3 PURSUANT TO SUBSECTION (3.5) OF THIS SECTION, all ~~moneys~~ MONEY
4 OTHERWISE transferred to the fund, all ~~moneys~~ MONEY received as a result
5 of contracts entered into by the Colorado energy office for the office's
6 program to improve the home energy efficiency of low-income
7 households, and all ~~moneys~~ MONEY received by the Colorado energy
8 office from gifts, grants, and donations for the office's program to
9 improve the home energy efficiency of low-income households. All
10 ~~moneys~~ MONEY in the fund ~~are~~ IS continuously appropriated to the
11 Colorado energy office to be used for the purposes set forth in this
12 subsection (3). All ~~moneys~~ MONEY in the fund at the end of each fiscal
13 year shall be retained in the fund and ~~shall~~ DOES not revert to the general
14 fund or any other fund.

15 (3.5) (a) **Legislative declaration.** (I) THE GENERAL ASSEMBLY
16 HEREBY FINDS AND DETERMINES THAT:

17 (A) PROGRAMS THAT ARE DESIGNED TO ASSIST LOW-INCOME
18 HOUSEHOLDS WITH ENERGY EFFICIENCY IMPROVEMENTS CAN BE
19 DISPROPORTIONATELY IMPACTED BY INCONSISTENT FUNDING BECAUSE OF
20 THE AMOUNT OF TIME REQUIRED TO SCALE UP PRODUCTION CAPACITY,
21 ESPECIALLY FOR UNDERSERVED PARTS OF THE STATE;

22 (B) ENERGY EFFICIENCY IMPROVEMENTS ALSO REDUCE ENERGY
23 USAGE AND THE ASSOCIATED ECONOMIC AND ENVIRONMENTAL COSTS
24 OVER THE LONG TERM; AND

25 (C) ENERGY EFFICIENCY IMPROVEMENT PROGRAMS ARE ALSO
26 VERY IMPORTANT THROUGHOUT THE STATE AND SAVE CONSUMERS
27 MONEY.

1 (II) THEREFORE, THE GENERAL ASSEMBLY HEREBY DECLARES THAT
2 IT IS IN THE PUBLIC INTEREST TO PROVIDE CONSISTENT STATE FUNDING FOR
3 ENERGY EFFICIENCY IMPROVEMENT PROGRAMS.

4 (b) IF, IN STATE FISCAL YEAR 2020-21 OR ANY STATE FISCAL YEAR
5 THEREAFTER, THE AMOUNT OF SEVERANCE TAX REVENUE THAT IS
6 TRANSFERRED PURSUANT TO SECTION 39-29-109.3 (2)(f)(V)(A):

7 (I) TO THE ENERGY OUTREACH COLORADO LOW-INCOME ENERGY
8 ASSISTANCE FUND CREATED IN SUBSECTION (2)(a) OF THIS SECTION FALLS
9 BELOW ONE MILLION DOLLARS, THE GENERAL ASSEMBLY WILL AUTHORIZE
10 THE STATE TREASURER TO TRANSFER FROM THE GENERAL FUND AN
11 AMOUNT EQUAL TO SEVENTY-FIVE PERCENT OF THE DIFFERENCE BETWEEN
12 ONE MILLION DOLLARS AND THE AMOUNT RECEIVED TO THE ENERGY
13 OUTREACH COLORADO LOW-INCOME ENERGY ASSISTANCE FUND FOR USE
14 BY THE ORGANIZATION TO WHICH MONEY IS DISTRIBUTED PURSUANT TO
15 SUBSECTION (2)(a) OF THIS SECTION FOR ENERGY EFFICIENCY
16 IMPROVEMENT PROGRAMS; OR

17 (II) TO THE COLORADO ENERGY OFFICE LOW-INCOME ENERGY
18 ASSISTANCE FUND CREATED IN SUBSECTION (3)(a) OF THIS SECTION FALLS
19 BELOW ONE MILLION DOLLARS, THE GENERAL ASSEMBLY WILL AUTHORIZE
20 THE STATE TREASURER TO TRANSFER FROM THE GENERAL FUND AN
21 AMOUNT EQUAL TO SEVENTY-FIVE PERCENT OF THE DIFFERENCE BETWEEN
22 ONE MILLION DOLLARS AND THE AMOUNT RECEIVED TO THE COLORADO
23 ENERGY OFFICE LOW-INCOME ENERGY ASSISTANCE FUND FOR USE BY THE
24 COLORADO ENERGY OFFICE FOR ENERGY EFFICIENCY IMPROVEMENT
25 PROGRAMS.

26 (c) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE SEPTEMBER 1,
27 2024.

1 **SECTION 2. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2020 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

Attachment C

BILL C

LLS NO. 20-0254.01 Duane Gall x4335

SENATE BILL

SENATE SPONSORSHIP

Garcia and Rodriguez,

HOUSE SPONSORSHIP

(None),

Senate Committees

House Committees

A BILL FOR AN ACT

101 **CONCERNING INCREASED CONSUMER PROTECTIONS FOR CUSTOMERS**
102 **OF INVESTOR-OWNED UTILITIES.**

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://leg.colorado.gov/>.)

The bill directs the public utilities commission (PUC) to exercise its existing authority to require information from regulated public utilities in the areas of:

- The number of utility customers who are exempted from tiered rates due to a medical condition or the use of medical equipment requiring higher amounts of electricity than

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

other customers, and the efforts the public utilities are taking to ensure that customers entitled to the exemption are able to do so (**section 1** of the bill); and

- Disconnections and delinquencies, including the number of disconnections and a narrative analysis of any trends or inconsistencies revealed by the data (**sections 2 and 4**).

The bill directs the PUC to open rule-making proceedings to:

- Prescribe standard practices for disconnection due to nonpayment, including the provision of shutoff notices in languages other than English, where appropriate; standard terms for repayment plans to cure delinquencies; and a prohibition on remote disconnection without a personal visit or live telephone call with the customer of record (**section 2**); and
- Investigate whether to require public utilities to report positive information about customers' payment history to credit reporting agencies (**section 5**).

Finally, beginning September 1, 2020, the bill requires an "opt-in" by customers before a public utility may employ a new nonstandard rate such as a time-of-use, inverted block, or flat rate (**section 3**).

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

2 **SECTION 1.** In Colorado Revised Statutes, 40-3-103.5, **amend**
3 (1); and **add** (5) as follows:

4 **40-3-103.5. Medical exemption - tiered electricity rates - rules.**

5 (1) Notwithstanding any provision of articles 1 to 7 of this ~~title~~ TITLE 40
6 to the contrary, the commission shall adopt rules ~~by January 31, 2014,~~ to
7 create an exemption from any tiered electricity rate plan based on a
8 customer's medical condition. ~~The rules must implement the medical~~
9 ~~exemption by June 1, 2014.~~ The commission's rules must provide a
10 mechanism for the recovery of costs associated with implementing and
11 providing the medical exemption.

12 (5) ON AND AFTER SEPTEMBER 1, 2020, THE COMMISSION SHALL
13 REQUIRE UTILITIES PERIODICALLY TO REPORT, PURSUANT TO SECTION
14 40-3-110, THE NUMBER OF THEIR CUSTOMERS WHO RECEIVE THE MEDICAL

1 EXEMPTION UNDER THIS SECTION AND TO DESCRIBE THE EFFORTS THE
2 UTILITIES HAVE MADE DURING EACH REPORTING PERIOD TO FACILITATE
3 THE ENROLLMENT OF QUALIFIED PERSONS IN THEIR MEDICAL EXEMPTION
4 PROGRAMS.

5 **SECTION 2.** In Colorado Revised Statutes, **add** 40-3-103.6 as
6 follows:

7 **40-3-103.6. Disconnection due to nonpayment - connection and**
8 **reconnection fees - deposits - standard practices - rules.** (1) ON OR
9 BEFORE SEPTEMBER 1, 2020, THE COMMISSION SHALL COMMENCE A
10 RULE-MAKING PROCEEDING TO ADOPT STANDARD PRACTICES FOR GAS AND
11 ELECTRIC UTILITIES TO USE WHEN DISCONNECTING SERVICE DUE TO
12 NONPAYMENT. AT A MINIMUM, THE RULES MUST ADDRESS THE FOLLOWING
13 SUBJECTS:

14 (a) A REQUIREMENT TO PROVIDE SHUT-OFF NOTICES IN MULTIPLE
15 LANGUAGES, AS APPROPRIATE TO THE GEOGRAPHIC AREA SERVED;

16 (b) LIMITING SHUT-OFF TIMES TO BETWEEN 6 A.M. AND 2 P.M.
17 MONDAY THROUGH FRIDAY, EXCLUDING HOLIDAYS, SO THAT CUSTOMERS
18 CAN ATTEMPT TO RECONNECT ON THE SAME DAY;

19 (c) PRESCRIBED TERMS AND CONDITIONS FOR PAYMENT PLANS TO
20 CURE DELINQUENCY;

21 (d) REFERRAL OF DELINQUENT CUSTOMERS TO ENERGY PAYMENT
22 ASSISTANCE RESOURCES SUCH AS ENERGY OUTREACH COLORADO,
23 CHARITIES, AND STATE AGENCIES THAT PROVIDE, OR THAT ADMINISTER
24 FEDERAL FUNDS FOR, LOW-INCOME ENERGY ASSISTANCE;

25 (e) STANDARDIZED RECONNECTION FEES;

26 (f) STANDARD PRACTICES FOR THE IMPOSITION OF DEPOSIT
27 REQUIREMENTS FOR RECONNECTION;

1 (g) PROTECTION POLICIES FOR CUSTOMERS FOR WHOM
2 ELECTRICITY IS MEDICALLY NECESSARY;

3 (h) PROHIBITIONS ON THE DISCONNECTION OF SERVICE DURING
4 PERIODS OF EXTREME HEAT OR COLD, AS APPROPRIATE TO THE
5 GEOGRAPHIC AREA SERVED;

6 (i) A PROHIBITION ON THE DISCONNECTION OF SERVICE REMOTELY,
7 THROUGH ADVANCED METERING INFRASTRUCTURE OR OTHERWISE,
8 WITHOUT FIRST ENGAGING IN A PERSONAL, PHYSICAL VISIT TO THE
9 PREMISES OR A LIVE TELEPHONE CONVERSATION WITH THE CUSTOMER OF
10 RECORD; AND

11 (j) REPORTING REQUIREMENTS, NO LESS FREQUENTLY THAN
12 QUARTERLY, TO PROVIDE THE COMMISSION WITH STANDARDIZED
13 INFORMATION FROM ALL UTILITIES ABOUT DISCONNECTIONS AND
14 DELINQUENCIES.

15 (2) THE COMMISSION SHALL PUBLISH ON ITS WEBSITE, OR REQUIRE
16 UTILITIES TO PUBLISH ON THEIR WEBSITES:

17 (a) INFORMATION REGARDING THE STANDARD PRACTICES AND FEES
18 SPECIFIED IN RULES ADOPTED PURSUANT TO SUBSECTION (1) OF THIS
19 SECTION; AND

20 (b) THE INFORMATION PERIODICALLY REPORTED IN ACCORDANCE
21 WITH SUBSECTION (1)(j) OF THIS SECTION.

22 **SECTION 3.** In Colorado Revised Statutes, 40-3-106, **amend** (2)
23 as follows:

24 **40-3-106. Advantages prohibited - graduated schedules -**
25 **consideration of household income and other factors - definitions.**

26 (2) Nothing in articles 1 to 7 of this ~~title shall be taken to prohibit~~ TITLE
27 40 PROHIBITS a public utility engaged in the production, generation,

1 transmission, or furnishing of heat, light, gas, water, power, or telephone
2 service from establishing a graduated scale of charges subject to ~~the~~
3 ~~provisions of this title~~ THIS TITLE 40; EXCEPT THAT, ON OR AFTER
4 SEPTEMBER 1, 2020, THE UTILITY SHALL NOT EMPLOY A NEW TIME-OF-USE,
5 INVERTED BLOCK, FLAT, OR OTHER NONSTANDARD RATE FOR ANY
6 CUSTOMER THAT HAS NOT EXPLICITLY OPTED IN TO THE USE OF THAT
7 NONSTANDARD RATE.

8 **SECTION 4.** In Colorado Revised Statutes, **amend** 40-3-110 as
9 follows:

10 **40-3-110. Information furnished commission - reports.**

11 (1) Every public utility shall furnish to the commission, at such time and
12 in such form as the commission may require, ~~a report~~ ONE OR MORE
13 REPORTS in which the utility shall specifically answer all questions
14 propounded by the commission upon or concerning which the
15 commission may desire information. ALL REPORTS MUST BE MADE UNDER
16 OATH OR AFFIRMATION.

17 (2) The commission ~~has the authority to~~ MAY require ~~any~~ A public
18 utility to file monthly reports of earnings and expenses and to file
19 periodical or special REPORTS, or both periodical and special reports,
20 concerning any matter about which the commission is authorized by
21 articles 1 to 7 of this ~~title~~ TITLE 40 or in any other law to inquire or to
22 keep itself informed or which it is required to enforce. ~~All reports shall~~
23 ~~be under oath.~~

24 (3) THE COMMISSION SHALL REQUIRE EVERY PUBLIC UTILITY THAT
25 REPORTS INFORMATION ON DISCONNECTIONS AND DELINQUENCIES
26 PURSUANT TO SECTION 40-3-103.6 (1)(j) TO ALSO FILE AN ANNUAL
27 NARRATIVE CONTAINING THE UTILITY'S ANALYSIS OF ANY TRENDS OR

1 INCONSISTENCIES REVEALED BY THE DATA.

2 **SECTION 5.** In Colorado Revised Statutes, **add** 40-3-119 as
3 follows:

4 **40-3-119. Credit reporting - nonadjudicatory proceeding -**
5 **definition - report - repeal.** (1) THE COMMISSION SHALL OPEN A
6 NONADJUDICATORY PROCEEDING TO CONSIDER THE MERITS,
7 RAMIFICATIONS, COSTS, AND BENEFITS OF REQUIRING PUBLIC UTILITIES TO
8 REPORT POSITIVE INFORMATION ABOUT CUSTOMER PAYMENT HISTORY TO
9 CREDIT REPORTING AGENCIES.

10 (2) ON OR BEFORE MARCH 15, 2021, THE COMMISSION SHALL FILE
11 A REPORT WITH THE HOUSE OF REPRESENTATIVES ENERGY AND
12 ENVIRONMENT COMMITTEE AND THE SENATE TRANSPORTATION AND
13 ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, DESCRIBING THE
14 RESULTS OF THE NONADJUDICATORY PROCEEDING, INCLUDING THE SCOPE
15 OF ANALYSIS CONDUCTED, POTENTIAL SOLUTIONS CONSIDERED, AND ANY
16 RECOMMENDATIONS REGARDING CREDIT REPORTING BY PUBLIC UTILITIES.

17 (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

18 **SECTION 6. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly (August
21 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
22 referendum petition is filed pursuant to section 1 (3) of article V of the
23 state constitution against this act or an item, section, or part of this act
24 within such period, then the act, item, section, or part will not take effect
25 unless approved by the people at the general election to be held in
26 November 2020 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.