

Energy Legislation Review Interim Study Committee

Members of the Committee

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Senator Mike Foote, Vice-Chair

Senator Steve Fenberg
Senator Ray Scott
Senator Faith Winter
Senator Rob Woodward

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Gregg Fraser, Assistant Director
Duane Gall, Assistant Director
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Energy Legislation Review Interim Study Committee

Committee Charge

The Energy Legislation Review Interim Study Committee is authorized to study the following policy issues:

- electric grid interconnection;
- electric vehicle market adoption factors;
- energy supply and transmission planning;
- grid security;
- distributed generation options;
- energy market transitions;
- clean energy job creation and the impact to jobs as a result of changing energy markets;
- climate change policy options;
- demand-side management; and
- energy storage policy.

Committee Activities

The committee met four times during the 2019 interim. Two of its meetings were held at the State Capitol Building in Denver and two were held offsite in Fort Morgan and Grand Junction.

First Meeting—State Capitol Building, Denver. The committee heard presentations on the topics of grid interconnection, electric resource planning, performance-based regulations, and the utilities of the future from a variety of organizations. It also conducted a site visit to Xcel Energy's control center in downtown Denver.

Second Meeting—Morgan County Administration Building, Fort Morgan. The committee heard presentations from local government representatives and renewable energy advocates. It also conducted site visits to Xcel Energy's Pawnee Generating Station in Brush and NextEra Energy Resources' wind project in Limon.

Third Meeting—Colorado Mesa University, Grand Junction. The committee heard presentations from rural and cooperative electric associations, local government representatives, academics, economists, and consultants on energy market transitions. It also conducted site visits to the Ute Water Conservancy District's hydroelectric facility in Palisade and the Vista net-zero all-electric community in Basalt.

Fourth Meeting—State Capitol Building, Denver. The committee heard presentations from rural electric associations, wholesale energy providers, community choice energy advocates, renewable energy advocates, oil and gas regulators, and solar energy providers. It also conducted site visits to the Metro Wastewater Reclamation District wastewater treatment plant and to an Extraction Oil and Gas site.

Committee Recommendations

As a result of committee discussion and deliberation, the Energy Legislation Review Interim Study Committee recommends the following three bills for consideration in the 2020 legislative session.

Bill A—*Valuation of Energy Storage Equipment.* Beginning January 1, 2020, this bill requires that energy storage equipment owned or operated by a utility is state assessed for property tax valuation in a similar manner to renewable energy facility properties.

Bill B—*Statewide Biodiesel Blend Requirement for Diesel Sales.* Beginning in 2021, this bill requires petroleum diesel sold in Colorado between June 1 and September 15 each year to be blended with a percentage of biodiesel and phases in an implementation schedule. Diesel must be blended with at least 5 percent biodiesel (B5) by June 1, 2021, and with at least 10 percent biodiesel (B10) by June 1, 2023. The Air Quality Control Commission in the Department of Public Health and Environment, in consultation with the Division of Oil and Public Safety in the Department of Labor and Employment, must promulgate rules to establish processes related to waivers and labeling, and may establish other rules as necessary to implement the bill.

Bill C—*Transmit Renewable Energy Conservation Easements.* The bill allows conservation easements to permit the placement of electric transmission lines used primarily to transmit renewable energy across the property subject to the easement. The line design and placement must be appropriate for the property and consistent with the primary conservation purposes of the easement.