

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 29, 2023  
Date

Committee on Energy & Environment.

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

HB23-1252 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 3, line 15, strike "load increases to the state's  
2 electric grid." and substitute "beneficial electrification."
- 3 Page 6, line 8, after "electricity" insert "AND ENERGY".
- 4 Page 6, line 13, strike "cost;" and substitute "cost. ANY STUDY FUNDED  
5 PURSUANT TO THIS SUBSECTION (4)(c)(II) MUST INCLUDE AN EVALUATION  
6 OF THE RESOURCES' SAFETY, ECONOMIC FEASIBILITY, COST EFFICIENCY  
7 COMPARED TO RENEWABLE ENERGY ALTERNATIVES, ENVIRONMENTAL  
8 IMPACTS, GREENHOUSE GAS AND AIR POLLUTION EMISSIONS, QUALITY JOB  
9 CREATION OPPORTUNITIES, AND IMPACTS TO NEIGHBORING  
10 COMMUNITIES."
- 11 Page 6, after line 27 insert:
  - 12 "(2) ANY THERMAL ENERGY NETWORK OR THERMAL ENERGY  
13 SYSTEM PLUMBING AND ELECTRICAL WORK PERFORMED IN THE STATE  
14 SHALL:
    - 15 (a) BE PERFORMED BY LICENSED PLUMBERS, LICENSED  
16 ELECTRICIANS, OR SUPERVISED APPRENTICES AT A RATIO NO GREATER  
17 THAN THREE APPRENTICES FOR EACH LICENSED MASTER OR JOURNEYMAN  
18 PLUMBER OR ELECTRICIAN, AS REQUIRED PURSUANT TO SECTION  
19 12-115-115 (1) OR 12-155-124 (1); AND
    - 20 (b) BE INSTALLED IN COMPLIANCE WITH THE RULES OF THE STATE  
21 ELECTRICAL BOARD OR THE STATE PLUMBING BOARD AND IN ACCORDANCE  
22 WITH THE ELECTRICAL AND PLUMBING CODES ADOPTED PURSUANT TO  
23 THOSE RULES.
    - 24 (3) FOR ANY THERMAL ENERGY NETWORK OR THERMAL ENERGY

1 SYSTEM THAT A UTILITY OWNS, THE UTILITY SHALL USE UTILITY  
2 EMPLOYEES OR QUALIFIED CONTRACTORS TO PERFORM ANY  
3 CONSTRUCTION TRADE WORK DEEMED NECESSARY TO COMPLETE THE  
4 PROJECT. A QUALIFIED CONTRACTOR IS A CONTRACTOR WITH EMPLOYEES  
5 THAT HAVE ACCESS TO AN APPRENTICESHIP PROGRAM AS DEFINED IN  
6 SECTION 8-83-308 (3)(a). ALL MECHANICAL, ELECTRICAL, AND PLUMBING  
7 CONTRACTORS AND SUBCONTRACTORS MUST MEET THE APPRENTICESHIP  
8 UTILIZATION REQUIREMENTS OF SECTION 24-92-115; EXCEPT THAT THE  
9 APPRENTICESHIP UTILIZATION REQUIREMENTS DO NOT APPLY TO:

10 (a) THE DESIGN, PLANNING, OR ENGINEERING OF INFRASTRUCTURE;

11 (b) MANAGEMENT FUNCTIONS FOR THE OPERATION OF  
12 INFRASTRUCTURE; OR

13 (c) ANY WORK INCLUDED IN A WARRANTY."

14 Renumber succeeding subsection accordingly.

15 Page 7, after line 4 insert:

16 (b) "LICENSED ELECTRICIAN" MEANS AN ELECTRICIAN LICENSED  
17 PURSUANT TO SECTION 12-115-110.

18 (c) "LICENSED PLUMBER" MEANS A PLUMBER LICENSED PURSUANT  
19 TO SECTION 12-155-108."

20 Reletter succeeding paragraphs accordingly.

21 Page 8, strike lines 6 through 9 and substitute "TEMPERATURES; EXCEPT  
22 THAT ANY SOURCE OF THERMAL ENERGY FOR THIS PURPOSE MUST:

23 (A) NOT CAUSE INCREMENTAL GREENHOUSE GAS EMISSIONS OR  
24 RELY ON INCREASED, LONG-TERM COMBUSTION OF FOSSIL FUELS; AND

25 (B) BE EVALUATED BY THE COMMISSION TO PROTECT AGAINST  
26 INCREASED EMISSIONS OF HARMFUL CO-POLLUTANTS, NEGATIVE IMPACTS  
27 TO COMMUNITIES INCLUDING TO DISPROPORTIONATELY IMPACTED  
28 COMMUNITIES, AS DEFINED IN SECTION 24-4-109 (2)(b)(II), AND THE RISK  
29 OF STRANDED ASSETS, IF THE THERMAL ENERGY IS FROM ANY INDUSTRIAL  
30 SOURCE INCLUDING A SYSTEM FOR WHICH THE PRIMARY"

31 Page 8, strike lines 17 through 20 and substitute "THAT ARE NOT A  
32 CAMPUS, AS DEFINED IN SECTION 40-4-121 (1)(a), AND THAT ASSISTS IN  
33 REDUCING GREENHOUSE GAS EMISSIONS IN THE".

34 Page 8, line 23, strike "AMBIENT" and substitute "THE DESIRED THERMAL".

35 Page 9, line 7, after SOURCES" insert "OF THERMAL ENERGY".

- 1 Page 9, line 24, strike "PERSON AND" and substitute "PERSON,".
- 2 Page 9, line 25, strike "PROPERTY." and substitute "PROPERTY, THAT DO  
3 NOT LEASE SPACE TO TENANTS, AND THAT DO NOT PROVIDE ENERGY OR  
4 HEAT SERVICES FOR A FEE.".
- 5 Page 10, after line 13 insert:
- 6 "(h) "THERMAL ENERGY SYSTEM" HAS THE MEANING SET FORTH IN  
7 SECTION 40-3.2-108 (2)(t)."
- 8 Page 10, line 21, before "STRATEGIC" insert "DSM".
- 9 Page 10, line 22, strike "APPLICATION." and substitute "APPLICATION  
10 PURSUANT TO SECTION 40-3.2-103 (1)."
- 11 Page 11, line 18, strike "CONSTRAINED." and substitute "CONSTRAINED OR  
12 THAT IS TARGETED FOR ELECTRIFICATION IN A UTILITY CLEAN HEAT PLAN  
13 OR BENEFICIAL ELECTRIFICATION PLAN.".
- 14 Page 12, strike line 18 and substitute "NONRESIDENTIAL CUSTOMERS TO  
15 MANAGE IMPACTS UPON RESIDENTIAL CUSTOMERS. A PILOT THERMAL  
16 ENERGY NETWORK".
- 17 Page 13, line 22, after "MODELS" insert "FOR DEVELOPMENT, ACQUISITION,  
18 CUSTOMER SERVICE, AND COST RECOVERY".
- 19 Page 13, line 24, after "FOR" insert "AND CUSTOMER TYPES OR CLASSES  
20 SERVED BY".
- 21 Page 14, strike lines 1 through 5 and substitute:
- 22 "(A) CREATE REQUIREMENTS FOR GAS-UTILITY-OWNED THERMAL  
23 ENERGY NETWORKS CONCERNING A LARGE GAS UTILITY'S ABILITY TO  
24 PARTNER WITH QUALIFIED THIRD PARTIES THROUGH JOINT VENTURES,  
25 ASSET DEVELOPMENT AND TRANSFERS, OR SIMILAR STRUCTURES AND  
26 FACILITATE THE DEVELOPMENT OF THERMAL ENERGY NETWORKS;".
- 27 Page 14, line 19, strike "NETWORK" and substitute "SYSTEM".

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