

**UPDATED SUMMARY
SENATE BILL 14-186**

Second Regular Session - Sixty-ninth Colorado General Assembly

This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.

The bill specifies that the Colorado energy office may, within existing resources and without creating a financial obligation to the state, ascertain efficiency *and renewable energy* projects that can be aggregated to create a larger portfolio of diverse efficiency *and renewable energy* projects with costs totaling an amount that in a favorable financial market will attract the investment of private sector banks or investors. The bill then specifies that if such a larger portfolio of diverse efficiency *or renewable energy* projects is financed, the financing documents must include a cost of issuance fee payable to the department of local affairs of a percentage of the issuance, not to exceed 1%, that must be credited to the efficient schools and communities performance contracting fund.

The bill defines "efficiency projects" as including one or more projects in a small or rural community in the state of a school district, special district, or county or municipality (community entity), such as:

- ! Installing equipment and related infrastructure that will help defray energy costs;
- ! Improving the energy efficiency of a building;
- ! Reducing water usage or consumption;
- ! Re-engineering or improving water or wastewater treatment facilities; or
- ! Improving the energy usage of motor vehicle fleets or community entity-owned fueling stations for such motor vehicle fleets.

The bill defines "renewable energy projects" as one or more projects of a community entity to install equipment and related infrastructure for renewable energy generation, including, but not limited to geothermal, hydroelectric, wind, solar, or biomass energy.

The bill then specifies that once there is sufficient money in the efficient schools and communities performance contracting fund from the cost of issuance fee, in the event a community entity's efficiency *or renewable energy* project is not financed, the department of local affairs in consultation with the Colorado energy office may award a grant to such community entity for a reimbursement of a portion of the technical energy audit completed by the community entity. The bill also specifies that a prequalified energy service company may also seek a grant for a portion of the energy service company's costs if an efficiency *or renewable energy* project is not financed. The bill further specifies that all grants awarded by the department of local affairs must be prioritized by need and may not exceed the available cost of issuance fees.

The bill creates the efficient schools and communities performance contracting fund.

Italicized words indicate new material added to the original summary; dashes through words indicate deletions from the original summary.
Prepared by the Office of Legislative Legal Services.