

NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 07-1228

BY REPRESENTATIVE(S) Gardner C., Balmer, Butcher, Curry, Frangas, Gibbs, Hicks, Kerr J., Labuda, Levy, Madden, Marshall, Rose, Solano, Sonnenberg, Stafford, and Summers;
also SENATOR(S) Shaffer, and Schwartz.

CONCERNING RENEWABLE ENERGY, AND, IN CONNECTION THEREWITH,
REQUIRING THE PETROLEUM STORAGE TANK COMMITTEE TO
ESTABLISH POLICIES REGARDING ABOVEGROUND STORAGE OF
RENEWABLE FUELS, AND MAKING AN APPROPRIATION.

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

SECTION 1. 24-30-1104 (2) (c) (II), Colorado Revised Statutes, is amended to read:

24-30-1104. Central services functions of the department - definitions - repeal. (2) In addition to the county-specific functions set forth in subsection (1) of this section, the department of personnel shall take such steps as are necessary to fully implement a central state motor vehicle fleet system by January 1, 1993. The provisions of the motor vehicle fleet system created pursuant to this subsection (2) shall apply to the executive branch of the state of Colorado, its departments, its institutions, and its agencies; except that the governing board of each institution of higher

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

education, by formal action of the board, and the Colorado commission on higher education, by formal action of the commission, may elect to be exempt from the provisions of this subsection (2) and may obtain a motor vehicle fleet system independent of the state motor vehicle fleet system. Under the direction of the executive director, the department of personnel shall perform the following functions pertaining to the motor vehicle fleet system throughout the state:

(c) (II) By ~~July 1, 2010~~ JANUARY 1, 2008, the executive director shall adopt a policy ~~that at least ten percent of all state-owned bi-fueled vehicles should be fueled exclusively with an alternative fuel~~ TO SIGNIFICANTLY INCREASE THE UTILIZATION OF ALTERNATIVE FUELS AND THAT ESTABLISHES INCREASING UTILIZATION OBJECTIVES FOR EACH FOLLOWING YEAR. To encourage compliance with this policy, ~~for one or more state fiscal years commencing before July 1, 2010~~, the rules promulgated pursuant to this paragraph (c) may establish progressively more stringent percentage mileposts and shall, for fiscal years commencing after July 1, 2004, require the collection of data concerning the annual percentage of state-owned bi-fueled vehicles that were fueled exclusively with an alternative fuel. BEGINNING JANUARY 1, 2008, THE EXECUTIVE DIRECTOR SHALL PURCHASE FLEXIBLE FUEL VEHICLES OR HYBRID VEHICLES, SUBJECT TO AVAILABILITY, UNLESS THE INCREASED COST OF SUCH VEHICLE IS MORE THAN TEN PERCENT OVER THE COST OF A COMPARABLE NONFLEXIBLE FUEL VEHICLE. THE EXECUTIVE DIRECTOR SHALL ADOPT A POLICY TO ALLOW SOME VEHICLES TO BE EXEMPTED FROM THIS REQUIREMENT. AS USED IN THIS SUBPARAGRAPH (II):

(A) "FLEXIBLE FUEL VEHICLE" MEANS ANY DEDICATED FLEXIBLE-FUEL OR DUAL-FUEL VEHICLE DESIGNED TO OPERATE ON AT LEAST ONE ALTERNATIVE FUEL.

(B) "HYBRID VEHICLE" HAS THE MEANING ESTABLISHED IN SECTION 39-22-516 (2.5) (a) (II.5), C.R.S.

SECTION 2. 8-20-201 (1), (1.1), and (1.2), Colorado Revised Statutes, are amended, and the said 8-20-201 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

8-20-201. Definitions. As used in this part 2, unless the context otherwise requires:

~~(1) "Antiknock index" or "AKI" means the arithmetic average of the research octane number (RON) and motor octane number (MON): $AKI = (RON+MON)/2$. This value is called by a variety of names in addition to antiknock index including: Octane rating, posted octane, and (R+M)/2 octane~~ "ALTERNATIVE FUEL" MEANS A MOTOR FUEL THAT COMBINES PETROLEUM-BASED FUEL PRODUCTS WITH RENEWABLE FUELS.

~~(1.1) "ASTM" means ASTM international, formerly known as the American society for testing and materials. "ANTIKNOCK INDEX" OR "AKI" MEANS THE ARITHMETIC AVERAGE OF THE RESEARCH OCTANE NUMBER (RON) AND MOTOR OCTANE NUMBER (MON): $AKI = (RON+MON)/2$. THIS VALUE IS CALLED BY A VARIETY OF NAMES IN ADDITION TO ANTIKNOCK INDEX INCLUDING: OCTANE RATING, POSTED OCTANE, AND (R+M)/2 OCTANE.~~

~~(1.2) "British thermal unit" or "BTU" means a scientific unit of measurement equal to the quantity of heat required to raise the temperature of one pound of water one degree Fahrenheit at approximately sixty degrees Fahrenheit. "ASTM" MEANS ASTM INTERNATIONAL, FORMERLY KNOWN AS THE AMERICAN SOCIETY FOR TESTING AND MATERIALS.~~

~~(1.3) "BRITISH THERMAL UNIT" OR "BTU" MEANS A SCIENTIFIC UNIT OF MEASUREMENT EQUAL TO THE QUANTITY OF HEAT REQUIRED TO RAISE THE TEMPERATURE OF ONE POUND OF WATER ONE DEGREE FAHRENHEIT AT APPROXIMATELY SIXTY DEGREES FAHRENHEIT.~~

~~(8.5) "RENEWABLE FUEL" MEANS A MOTOR VEHICLE FUEL THAT IS PRODUCED FROM PLANT OR ANIMAL PRODUCTS OR WASTES, AS OPPOSED TO FOSSIL FUEL SOURCES.~~

SECTION 3. 8-20.5-101, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

8-20.5-101. Definitions. As used in this article, unless the context otherwise requires:

(2.5) "ALTERNATIVE FUEL" MEANS A MOTOR FUEL THAT COMBINES PETROLEUM-BASED FUEL PRODUCTS WITH RENEWABLE FUELS.

(14.5) "RENEWABLE FUEL" MEANS A MOTOR VEHICLE FUEL THAT IS PRODUCED FROM PLANT OR ANIMAL PRODUCTS OR WASTES, AS OPPOSED TO FOSSIL FUEL SOURCES.

SECTION 4. 8-20.5-101 (13), Colorado Revised Statutes, is amended to read:

8-20.5-101. Definitions. As used in this article, unless the context otherwise requires:

(13) "Regulated substance" means:

(a) Any substance defined in section 101 (14) of the federal "Comprehensive Environmental Response, Compensation, and Liability Act of 1980", as amended, but not including any substance regulated as a hazardous waste under subtitle (C) of the federal "Resource Conservation and Recovery Act of 1976", as amended; ~~or~~

(b) Petroleum, including crude oil, and crude oil or any fraction thereof that is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute);

(c) ALTERNATIVE FUEL; OR

(d) RENEWABLE FUEL.

SECTION 5. 8-20.5-202, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

8-20.5-202. Duties of the director of the division of oil and public safety. (1.7) WITHIN ONE HUNDRED TWENTY DAYS AFTER JANUARY 1, 2008, THE DIRECTOR OF THE DIVISION OF OIL AND PUBLIC SAFETY SHALL PROMULGATE, AND THE DIVISION SHALL ENFORCE, RULES CONCERNING THE PLACEMENT OF UNDERGROUND STORAGE TANKS THAT CONTAIN RENEWABLE FUELS. SUCH RULES SHALL BE PROMULGATED WITH THE PURPOSE OF DEVELOPING A UNIFORM STATEWIDE STANDARD OF ISSUING PERMITS FOR UNDERGROUND STORAGE TANKS TO PROMOTE THE USE OF RENEWABLE FUELS SO THAT THE PROCESS OF OBTAINING A PERMIT FOR AN UNDERGROUND STORAGE TANK THAT CONTAINS RENEWABLE FUELS MAY BE MORE EFFICIENT AND AFFORDABLE.

SECTION 6. 8-20.5-302, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

8-20.5-302. Duties of the director of the division of oil and public safety. (3) WITHIN ONE HUNDRED TWENTY DAYS AFTER JANUARY 1, 2008, THE DIRECTOR OF THE DIVISION OF OIL AND PUBLIC SAFETY SHALL PROMULGATE, AND THE DIVISION SHALL ENFORCE, RULES CONCERNING THE PLACEMENT OF ABOVEGROUND STORAGE TANKS THAT CONTAIN RENEWABLE FUELS. SUCH RULES SHALL BE PROMULGATED WITH THE PURPOSE OF DEVELOPING A UNIFORM STATEWIDE STANDARD OF ISSUING PERMITS FOR ABOVEGROUND STORAGE TANKS TO PROMOTE THE USE OF RENEWABLE FUELS SO THAT THE PROCESS OF OBTAINING A PERMIT FOR AN ABOVEGROUND STORAGE TANK THAT CONTAINS RENEWABLE FUELS MAY BE MORE EFFICIENT AND AFFORDABLE.

SECTION 7. Article 2 of title 40, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

40-2-109.5. Incentives for distributed generation - definition.

(1) THE COMMISSION SHALL DEVELOP A POLICY TO ESTABLISH INCENTIVES FOR CONSUMERS WHO PRODUCE DISTRIBUTED GENERATION, INCLUDING, BUT NOT LIMITED TO SMALL WIND TURBINES, THERMAL BIOMASS, ELECTRIC BIOMASS, AND SOLAR THERMAL ENERGY. THE COMMISSION SHALL CONSIDER WHETHER A CREDIT PROGRAM SIMILAR TO THE RENEWABLE ENERGY STANDARD SET FORTH IN SECTION 40-2-124 WOULD WORK FOR CONSUMERS WHO PRODUCE DISTRIBUTED GENERATION. THE COMMISSION SHALL PRESENT THE POLICY AND FINDINGS REGARDING A CREDIT PROGRAM TO THE HOUSE OF REPRESENTATIVES TRANSPORTATION AND ENERGY COMMITTEE AND THE SENATE AGRICULTURE, NATURAL RESOURCES, AND ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

(2) AS USED IN THIS SECTION, "DISTRIBUTED GENERATION" MEANS A SYSTEM BY WHICH A CONSUMER GENERATES HEAT OR ELECTRICITY USING RENEWABLE ENERGY RESOURCES FOR HIS OR HER OWN NEEDS AND MAY ALSO SEND SURPLUS ELECTRICAL POWER BACK INTO THE POWER GRID.

SECTION 8. Appropriation - adjustments to the 2007 long bill.

(1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of regulatory agencies, for allocation to the public utilities

commission, for the fiscal year beginning July 1, 2007, the sum of eight thousand four hundred five dollars (\$8,405) and 0.1 FTE, or so much thereof as may be necessary, for the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the petroleum storage tank fund created in section 8-20.5-103, Colorado Revised Statutes, not otherwise appropriated, to the department of labor and employment, for allocation to the division of oil and public safety, for the fiscal year beginning July 1, 2007, the sum of thirty-five thousand six hundred thirty-five dollars (\$35,635) and 0.5 FTE, or so much thereof as may be necessary, for the implementation of this act.

(3) In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2007, the sum of one thousand six hundred twenty-five dollars (\$1,625), or so much thereof as may be necessary, for the provision of legal services to the department of labor and employment related to the implementation of this act. Said sum shall be from cash funds exempt received from the department of labor and employment out of the appropriation made in subsection (2) of this section.

(4) For the implementation of this act, the appropriation made in section 21 of the annual general appropriation act for the fiscal year beginning July 1, 2007, shall be adjusted as follows: The general fund appropriation to the controlled maintenance trust fund is decreased by eight thousand four hundred five dollars (\$8,405).

SECTION 9. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Andrew Romanoff
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Joan Fitz-Gerald
PRESIDENT OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Ritter, Jr.
GOVERNOR OF THE STATE OF COLORADO