

Second Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 08-0416.01 Esther van Mourik

HOUSE BILL 08-1025

HOUSE SPONSORSHIP

Weissmann,

SENATE SPONSORSHIP

Tupa,

House Committees
Transportation & Energy

Senate Committees
State, Veterans & Military Affairs

A BILL FOR AN ACT

101 CONCERNING THE GOVERNOR'S ENERGY OFFICE.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Statutorily creates the governor's energy office (office) within the office of the governor. Specifies the director as the head of the office. Establishes duties and powers of the office and the director.

Makes conforming amendments.

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

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

HOUSE
3rd Reading Unamended
January 30, 2008

HOUSE
Amended 2nd Reading
January 29, 2008

1 (d) PROMOTE TECHNOLOGY TRANSFER AND ECONOMIC
2 DEVELOPMENT;

3 (e) ADVANCE ENERGY EFFICIENCY AND RENEWABLE ENERGY
4 THROUGHOUT THE STATE AS SPECIFIED IN SECTION 24-75-1201;

5 (f) IMPLEMENT AND ADMINISTER A WIND FOR SCHOOLS PROJECT
6 PURSUANT TO ARTICLE 89 OF TITLE 22, C.R.S.;

7 (g) WORK WITH THE COLORADO ENERGY RESEARCH INSTITUTE TO
8 PROVIDE GRANTS TO ADVANCE ENERGY-EFFICIENT DESIGN AND
9 CONSTRUCTION AS SPECIFIED IN SECTION 23-41-114 (4) (b) (VI), C.R.S.;

10 (h) DISTRIBUTE MONEY TO THE RENEWABLE ENERGY AUTHORITY
11 AS SPECIFIED IN SECTION 24-47.5-103 (1);

12 (i) SEND AN OFFICE REPRESENTATIVE TO THE POLLUTION
13 PREVENTION ADVISORY BOARD ASSISTANCE COMMITTEE PURSUANT TO
14 SECTION 25-16.5-105.5 (2) (c) (III), C.R.S.;

15 (j) ENSURE THAT INFORMATION EXPLAINING THE REQUIREMENTS
16 OF ENERGY CODES IS AVAILABLE AND PROVIDE TECHNICAL ASSISTANCE
17 CONCERNING THE IMPLEMENTATION AND ENFORCEMENT OF ENERGY
18 CODES TO BOTH COUNTIES AND MUNICIPALITIES AS SPECIFIED IN SECTIONS
19 30-28-211 (7) AND 31-15-602 (7), C.R.S.;

20 (k) COLLABORATE WITH THE STATE BOARD OF LAND
21 COMMISSIONERS REGARDING RENEWABLE ENERGY RESOURCE
22 DEVELOPMENT AS SPECIFIED IN SECTION 36-1-147.5 (4), C.R.S.;

23 (l) PROVIDE HOME ENERGY EFFICIENCY IMPROVEMENTS FOR
24 LOW-INCOME HOUSEHOLDS AS SPECIFIED IN SECTION 39-29-109 (1.5),
25 C.R.S., AND PREPARE AND SUBMIT TO THE GENERAL ASSEMBLY AN
26 ANNUAL REPORT AS SPECIFIED IN SECTION 39-29-109 (1.5) (h) (V), C.R.S.;

27 (m) ESTABLISH AND MANAGE A PROGRAM TO IMPROVE ENERGY

1 EFFICIENCY IN PUBLIC SCHOOLS AS PROVIDED IN SECTION 39-29-109.5,
2 C.R.S.;

3 (n) PROVIDE PUBLIC UTILITIES WITH REASONABLE ASSISTANCE, IF
4 REQUESTED, IN SEEKING AND OBTAINING SUPPORT AND SPONSORSHIP FOR
5 AN IGCC PROJECT AS DEFINED IN SECTION 40-2-123 (2) (b) (I), C.R.S.,
6 AND MANAGE AND DISTRIBUTE TO THE UTILITY SOME OR ALL OF ANY
7 FUNDS PROVIDED BY THE STATE OR BY THE UNITED STATES GOVERNMENT
8 TO THE STATE FOR PURPOSES OF STUDY OR DEVELOPMENT OF AN IGCC
9 PROJECT AS SPECIFIED IN SECTION 40-2-123 (2) (j), C.R.S.; AND

10 (o) COLLABORATE WITH THE DEPARTMENT OF HIGHER EDUCATION
11 TO DEVELOP RENEWABLE ENERGY CURRICULA THAT WILL SERVE THE
12 WORK FORCE NEEDS OF RENEWABLE ENERGY INDUSTRIES. SUCH
13 COLLABORATION MAY INCLUDE RESEARCH INSTITUTIONS, STATE
14 COLLEGES, COMMUNITY COLLEGES, AND TRADE ORGANIZATIONS IN AN
15 EFFORT TO DEVELOP A MEANS BY WHICH THE STATE MAY ADDRESS ALL
16 FACETS OF WORK FORCE DEMANDS IN THE NEW ENERGY ECONOMY.
17 INSTITUTIONS MAY ALSO PARTNER IN THE DEVELOPMENT OF CURRICULA
18 WITH ORGANIZATIONS THAT HAVE EXISTING CURRICULA AND TRAINING
19 PROGRAMS ON RENEWABLE ENERGY. FOR THE PURPOSES OF THIS
20 PARAGRAPH (o), "RENEWABLE ENERGY" SHALL HAVE THE SAME MEANING
21 AS SET FORTH IN SECTION 40-1-102 (11), C.R.S.

22 (p) ANNUALLY REPORT TO THE SENATE AGRICULTURE, NATURAL
23 RESOURCES, AND ENERGY COMMITTEE AND THE HOUSE AGRICULTURE,
24 LIVESTOCK, AND NATURAL RESOURCES COMMITTEE, OR THEIR SUCCESSOR
25 COMMITTEES.

26 (2) THE DIRECTOR OF THE GOVERNOR'S ENERGY OFFICE SHALL
27 SERVE AS CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE COLORADO

1 CLEAN ENERGY DEVELOPMENT AUTHORITY AS SPECIFIED IN ARTICLE 9.7 OF
2 TITLE 40, C.R.S.

3 **SECTION 2.** 22-89-103 (1), Colorado Revised Statutes, is
4 amended to read:

5 **22-89-103. Definitions.** As used in this article, unless the context
6 otherwise requires:

7 (1) ~~"Office of energy management and conservation" means the~~
8 ~~office of energy management and conservation within the office of the~~
9 ~~governor or any successor office that is created within the office of the~~
10 ~~governor for the purpose of promoting energy management or~~
11 ~~conservation~~ "GOVERNOR'S ENERGY OFFICE" MEANS THE GOVERNOR'S
12 ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.

13 **SECTION 3.** 22-89-104 (1) and (2) (a), Colorado Revised
14 Statutes, are amended to read:

15 **22-89-104. Wind for schools grant program - created -**
16 **applications.** (1) There is hereby created the wind for schools grant
17 program to fund wind for schools projects at qualified schools. A
18 qualified school may, with the written authorization of the local board of
19 education, apply to the GOVERNOR'S ENERGY office, ~~of energy~~
20 ~~management and conservation~~, in accordance with procedures and
21 deadlines adopted by the office, to receive moneys through the grant
22 program. The office shall administer the grant program as provided in
23 this article and pursuant to policies adopted by the office.

24 (2) (a) The GOVERNOR'S ENERGY office ~~of energy management~~
25 ~~and conservation~~ shall adopt policies specifying when a qualified school
26 may request a grant and the procedure for making the request.

27 **SECTION 4.** 22-89-105, Colorado Revised Statutes, is amended

1 to read:

2 **22-89-105. Wind for schools grant program - policies -**
3 **awarding grants.** (1) The GOVERNOR'S ENERGY office ~~of energy~~
4 ~~management and conservation~~ shall adopt policies for the implementation
5 of the wind for schools grant program. At a minimum, the policies shall
6 specify the procedures for applying for a grant, the form of the grant
7 application, the information to be provided by the applicant, and the
8 criteria for awarding grants.

9 (2) (a) The GOVERNOR'S ENERGY office ~~of energy management~~
10 ~~and conservation~~ shall review each grant application received from a
11 qualified school pursuant to section 22-89-104 and shall make a
12 determination as to whether the grant should be awarded and, except as
13 provided in paragraph (c) of this subsection (2), the amount of the grant.
14 If the office determines an application is missing any information
15 required by the office's policy to be included with the application, the
16 office may contact the applicant to obtain the missing information.

17 (b) In awarding grants pursuant to this article, the GOVERNOR'S
18 ENERGY office ~~of energy management and conservation~~ shall consider, at
19 a minimum, whether a qualified school:

20 (I) Would reduce its electricity costs by the implementation of a
21 wind for schools project; and

22 (II) Has a plan in place to incorporate the implementation of a
23 wind for schools project into its educational curriculum.

24 (c) A qualified school shall not receive an aggregate amount of
25 grants pursuant to this article that exceeds five thousand dollars.

26 (3) The GOVERNOR'S ENERGY office ~~of energy management and~~
27 ~~conservation~~ shall use at least fifty thousand dollars for the

1 implementation of this grant program from the existing resources of the
2 office. ~~of energy management and conservation.~~ The minimum funding
3 requirement for the implementation of this grant program may be met in
4 one or more fiscal years. The office ~~of the governor~~ shall not submit a
5 request for an appropriation or a supplemental appropriation for this
6 purpose.

7 **SECTION 5.** 23-41-114 (4) (b) (VI) (A), Colorado Revised
8 Statutes, is amended to read:

9 **23-41-114. Colorado energy research institute - creation.**

10 (4) The institute shall conduct:

11 (b) The following specific research and educational programs
12 designed to meet the information needs of the department of natural
13 resources, other agencies of the state's executive branch, the legislature,
14 and the public:

15 (VI) (A) To provide grants through the governor's ENERGY office
16 ~~of energy management and conservation~~ CREATED IN SECTION
17 24-38.5-101, C.R.S., for the development of a central resource for
18 building trade professionals, including contractors, engineers, architects,
19 and designers, for the purpose of increasing available tools and education
20 to advance energy-efficient design and construction.

21 **SECTION 6.** 24-47.5-103 (1), Colorado Revised Statutes, is
22 amended to read:

23 **24-47.5-103. Funding - appropriations contingent on receipt**
24 **of federal grant moneys - repeal.** (1) For the state fiscal year
25 commencing on July 1, 2006, and in each of the state fiscal years
26 commencing on July 1, 2007, and July 1, 2008, the general assembly shall
27 appropriate two million dollars from the operational account of the

1 severance tax trust fund created in section 39-29-109, C.R.S., to the
2 governor's ENERGY office ~~of energy management and conservation, or any~~
3 ~~analogous successor office~~ CREATED IN SECTION 24-38.5-101, for
4 distribution to the authority for the purposes specified in section
5 24-47.5-102; except that, if grants of federal moneys equal to or
6 exceeding the amount of state moneys appropriated pursuant to this
7 article have not been received by June 30, 2012, the unexpended and
8 unencumbered balance of said appropriation shall revert to the
9 operational account of the severance tax trust fund.

10 **SECTION 7.** 24-75-1201, Colorado Revised Statutes, is amended
11 to read:

12 **24-75-1201. Clean energy fund - creation - use of fund -**
13 **definitions.** (1) (a) The clean energy fund is hereby created in the state
14 treasury. The principal of the fund shall consist of moneys transferred to
15 the fund at the end of the 2006-07 state fiscal year and at the end of each
16 succeeding state fiscal year from the limited gaming fund created in
17 section 12-47.1-701 (1), C.R.S., in accordance with section 12-47.1-701
18 (5), C.R.S., and from moneys received by the governor's energy office ~~or~~
19 ~~any successor office~~, pursuant to section 39-29-109 (1.5), C.R.S., in
20 accordance with section 39-29-109 (1.5) (h) (VII), C.R.S. Interest and
21 income earned on the deposit and investment of moneys in the clean
22 energy fund shall be credited to the fund. Moneys in the fund at the end
23 of any state fiscal year shall remain in the fund and shall not be credited
24 to the state general fund or any other fund.

25 (b) FOR PURPOSES OF THIS SECTION, "GOVERNOR'S ENERGY OFFICE"
26 MEANS THE GOVERNOR'S ENERGY OFFICE CREATED IN SECTION
27 24-38.5-101.

1 (2) (a) All moneys in the clean energy fund are continuously
2 appropriated to the governor's energy office ~~or any successor office~~, for
3 the purposes of advancing energy efficiency and renewable energy
4 throughout the state. ~~The office may expend moneys from the fund:~~

5 (b) THE GOVERNOR'S ENERGY OFFICE MAY EXPEND MONEYS FROM
6 THE CLEAN ENERGY FUND:

7 (I) To attract renewable energy industry investment in the state;

8 (II) To assist in technology transfer into the marketplace for newly
9 developed energy efficiency and renewable energy technologies;

10 (III) To provide market incentives for the purchase and
11 distribution of energy efficient and renewable energy products;

12 (IV) To assist in the implementation of energy efficiency projects
13 throughout the state;

14 (V) To aid governmental agencies in energy efficiency
15 government initiatives;

16 (VI) To facilitate widespread implementation of renewable energy
17 technologies; and

18 (VII) In any other manner that serves the purposes of advancing
19 energy efficiency and renewable energy throughout the state.

20 (c) (I) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS
21 PARAGRAPH (c), THE MONEYS IN THE CLEAN ENERGY FUND MAY ALSO BE
22 USED BY THE GOVERNOR'S ENERGY OFFICE TO MAKE GRANTS OR LOANS TO
23 PERSONS, AS DEFINED IN SECTION 2-4-401 (8), C.R.S., FOR USE IN
24 CARRYING OUT THE PURPOSES OF THIS PART 12. THE GOVERNOR'S ENERGY
25 OFFICE SHALL CONSIDER THE FOLLOWING INFORMATION IN DETERMINING
26 WHETHER TO MAKE A GRANT OR LOAN:

27 (A) THE AMOUNT OF THE GRANT OR LOAN;

1 (B) THE QUANTIFIED IMPACT ON ENERGY DEMAND OR AMOUNT OF
2 CLEAN ENERGY PRODUCTION GENERATED AS A RESULT OF THE GRANT OR
3 LOAN;

4 (C) THE POTENTIAL ECONOMIC IMPACT OF THE GRANT OR LOAN;
5 AND

6 (D) THE PUBLIC BENEFITS EXPECTED TO RESULT FROM THE GRANT
7 OR LOAN.

8 (II) THE GOVERNOR'S ENERGY OFFICE MAY ESTABLISH TERMS AND
9 CONDITIONS FOR MAKING GRANTS OR LOANS PURSUANT TO THIS SECTION
10 AND IN ACCORDANCE WITH THE OBJECTIVES OF THE OFFICE AS SET FORTH
11 IN SECTION 24-38.5-102.

12 **SECTION 8.** 25-16.5-105 (1) (m) (I), Colorado Revised Statutes,
13 is amended to read:

14 **25-16.5-105. Powers and duties of the advisory board -**
15 **advanced technology fund.** (1) The advisory board shall have the
16 following powers and duties:

17 (m) (I) In accordance with the provisions of subparagraph (II) of
18 this paragraph (m), to submit an annual report to the department of local
19 affairs, the department, the governor's ENERGY office ~~of energy~~
20 ~~management and conservation~~ CREATED IN SECTION 24-38.5-101, C.R.S.,
21 and the standing committee of reference in each house of the general
22 assembly exercising jurisdiction over matters concerning public health
23 and the environment.

24 **SECTION 9.** 25-16.5-105.5 (2) (c) (III), Colorado Revised
25 Statutes, is amended to read:

26 **25-16.5-105.5. Pollution prevention advisory board assistance**
27 **committee - appointments - membership - definitions.** (2) (c) The

1 members appointed to the committee shall include representatives of
2 industry, nonprofit and community organizations, state agencies, and
3 local governments in accordance with the following:

4 (III) One member of the committee shall be a representative of the
5 governor's ENERGY office ~~of energy management and conservation~~
6 ~~CREATED IN SECTION 24-38.5-101, C.R.S.~~

7 **SECTION 10.** 30-28-211 (2) (b) and (2) (c), Colorado Revised
8 Statutes, are amended to read:

9 **30-28-211. Energy efficient building codes - legislative**
10 **declaration - definitions.** (2) As used in this section, unless the context
11 otherwise requires:

12 (b) "Energy code" means, at a minimum, the 2003 international
13 energy conservation code, or any successor edition, published by the
14 international code council or any other code determined by the
15 GOVERNOR'S ENERGY office ~~of energy management and conservation~~
16 ~~CREATED IN SECTION 24-38.5-101, C.R.S.~~, to be more appropriate for local
17 conditions.

18 (c) "Office" means the GOVERNOR'S ENERGY office ~~of energy~~
19 ~~management and conservation within the office of the governor or any~~
20 ~~successor office that is created within the office of the governor for the~~
21 ~~purpose of promoting energy management or conservation~~ ~~CREATED IN~~
22 ~~SECTION 24-38.5-101, C.R.S.~~

23 **SECTION 11.** 31-15-602 (2) (b) and (2) (c), Colorado Revised
24 Statutes, are amended to read:

25 **31-15-602. Energy efficient building codes - legislative**
26 **declaration - definitions.** (2) As used in this section, unless the context
27 otherwise requires:

1 (b) "Energy code" means, at a minimum, the 2003 international
2 energy conservation code, or any successor edition, published by the
3 international code council or any other code determined by the
4 GOVERNOR'S ENERGY office ~~of energy management and conservation~~
5 CREATED IN SECTION 24-38.5-101, C.R.S., to be more appropriate for local
6 conditions.

7 (c) "Office" means the GOVERNOR'S ENERGY office ~~of energy~~
8 ~~management and conservation within the office of the governor or any~~
9 ~~successor office that is created within the office of the governor for the~~
10 ~~purpose of promoting energy management or conservation~~ CREATED IN
11 SECTION 24-38.5-101, C.R.S.

12 **SECTION 12.** 36-1-147.5 (4), Colorado Revised Statutes, is
13 amended to read:

14 **36-1-147.5. Leasing arrangements for renewable energy**
15 **resources development - legislative declaration - definitions.** (4) The
16 state board of land commissioners shall collaborate with the GOVERNOR'S
17 ENERGY office ~~of energy management and conservation~~ AS CREATED IN
18 SECTION 24-38.5-101, C.R.S., to ensure that potential renewable energy
19 resource developers are aware of any lands identified by the board as
20 being suitable for development of renewable energy resources.

21 **SECTION 13.** 39-29-109 (1.5) (b) (II), (1.5) (c) (II), (1.5) (d) (I)
22 (B), (1.5) (e) (I) (B), the introductory portions to 39-29-109 (1.5) (h) (I)
23 and (1.5) (h) (III), 39-29-109 (1.5) (h) (IV), the introductory portion to
24 (1.5) (h) (V), and 39-29-109 (1.5) (h) (VI), (1.5) (h) (VII), (1.5) (i) (IV),
25 and (8) (a), Colorado Revised Statutes, are amended to read:

26 **39-29-109. Severance task trust fund - created -**
27 **administration - use of moneys - definitions - repeal.** (1.5) (b) For the

1 state fiscal year commencing on July 1, 2005, the general assembly shall
2 appropriate twenty-four million dollars from the operational account of
3 the severance tax trust fund as follows:

4 (II) Four million dollars shall be appropriated to the GOVERNOR'S
5 ENERGY office ~~of the governor to be used by the office of energy~~
6 ~~management and conservation~~ to provide home energy efficiency
7 improvements for low-income households.

8 (c) For the state fiscal year commencing on July 1, 2006, the
9 general assembly shall appropriate eleven million dollars from the
10 operational account of the severance tax trust fund as follows:

11 (II) Four million dollars shall be appropriated to the GOVERNOR'S
12 ENERGY office ~~of the governor to be used by the office of energy~~
13 ~~management and conservation~~ to provide home energy efficiency
14 improvements for low-income households.

15 (d) (I) For the state fiscal year commencing on July 1, 2007, the
16 general assembly shall appropriate twelve million dollars, or a lesser
17 amount as set forth in subparagraph (II) of this paragraph (d), as follows:

18 (B) Five million dollars shall be appropriated to the GOVERNOR'S
19 ENERGY office ~~of the governor to be used by the office of energy~~
20 ~~management and conservation~~ to provide home energy efficiency
21 improvements for low-income households.

22 (e) (I) For the state fiscal year commencing on July 1, 2008, the
23 general assembly shall appropriate thirteen million dollars, or a lesser
24 amount as set forth in subparagraph (II) of this paragraph (e), as follows:

25 (B) Six million dollars shall be appropriated to the GOVERNOR'S
26 ENERGY office ~~of the governor to be used by the office of energy~~
27 ~~management and conservation~~ to provide home energy efficiency

1 improvements for low-income households.

2 (h) (I) The GOVERNOR'S ENERGY office of energy management and
3 ~~conservation~~ shall use moneys it receives pursuant to this subsection (1.5)
4 for a program to provide home energy efficiency improvements for
5 low-income households, which shall include any of the following
6 services:

7 (III) In carrying out the program to improve the home energy
8 efficiency of low-income households, the GOVERNOR'S ENERGY office of
9 ~~energy management and conservation~~ shall:

10 (IV) The GOVERNOR'S ENERGY office of energy management and
11 ~~conservation~~ may use up to five percent of the moneys appropriated
12 pursuant to this subsection (1.5) for planning, overseeing, and evaluating
13 the program to improve the home energy efficiency of low-income
14 households. The office shall not hire additional state employees using
15 these moneys to implement the program, but may contract with nonprofit
16 organizations, for-profit organizations, and governmental entities as is
17 necessary to carry out the program.

18 (V) For any fiscal year in which moneys are expended as part of
19 the program to improve the home energy efficiency of low-income
20 households, the GOVERNOR'S ENERGY office of energy management and
21 ~~conservation~~ shall prepare and submit to the general assembly an annual
22 report that specifies:

23 (VI) If in a given fiscal year that commences before July 1, 2006,
24 the GOVERNOR'S ENERGY office of energy management and conservation
25 determines that it cannot use all of the moneys it receives pursuant to this
26 subsection (1.5), the office shall notify the governor and the joint budget
27 committee of the general assembly of such fact. Upon notification, the

1 general assembly may make a supplemental appropriation to reduce the
2 amount appropriated to the office and increase the amount appropriated
3 to the department of human services for the purpose of increasing
4 available funds under the low-income energy assistance program.

5 (VII) If in a given fiscal year that commences on or after July 1,
6 2006, the governor's energy office ~~or any successor office~~, cannot use all
7 of the moneys it receives pursuant to this subsection (1.5) for the program
8 described in subparagraph (I) of this paragraph (h), at the end of the fiscal
9 year the state treasurer shall transfer the moneys that the office cannot use
10 to the clean energy fund created in section 24-75-1201 (1), C.R.S.

11 (i) As used in this subsection (1.5), unless the context otherwise
12 requires:

13 (IV) ~~"Office of energy management and conservation" means the~~
14 ~~office of energy management and conservation within the office of the~~
15 ~~governor or any successor office that is created within the office of the~~
16 ~~governor for the purpose of promoting energy management or~~
17 ~~conservation~~ "GOVERNOR'S ENERGY OFFICE" MEANS THE GOVERNOR'S
18 ENERGY OFFICE AS CREATED IN SECTION 24-38.5-101, C.R.S.

19 (8) (a) Subject to the end balance requirement of paragraph (f) of
20 subsection (1.5) of this section and the maintenance of a two-year reserve
21 pursuant to sub-subparagraph (A) of subparagraph (III) of paragraph (c)
22 of subsection (1) of this section, for three state fiscal years beginning with
23 the state fiscal year commencing on July 1, 2006, a portion of the
24 operational account of the severance tax trust fund shall be appropriated
25 to the governor's ENERGY office ~~of energy management and conservation,~~
26 ~~or analogous successor office~~, for distribution to the Colorado renewable
27 energy authority created in section 24-47.5-101, C.R.S., for the purposes

1 stated in section 24-47.5-102 (2), C.R.S. The amount appropriated shall
2 be two million dollars per year, subject to the limitations stated in section
3 24-47.5-102, C.R.S., and in this paragraph (a). If there are insufficient
4 moneys in the operational account to make all appropriations and
5 transfers at the highest level authorized by law, the appropriations
6 authorized by this subsection (8) and subsection (8.5) of this section shall
7 be reduced pro rata as necessary to accommodate all appropriations and
8 transfers at the highest level authorized by law other than this subsection
9 (8) and subsection (8.5) of this section.

10 **SECTION 14.** 39-29-109.5 (1), Colorado Revised Statutes, is
11 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

12 **39-29-109.5. Interest differential - public school energy**
13 **efficiency fund - creation - uses - definitions - repeal.** (1) As used in
14 this section, unless the context otherwise requires:

15 (a.5) "GOVERNOR'S ENERGY OFFICE" MEANS THE GOVERNOR'S
16 ENERGY OFFICE AS CREATED IN SECTION 24-38.5-101, C.R.S.

17 **SECTION 15.** 39-29-109.5 (2) and the introductory portion to
18 39-29-109.5 (3), Colorado Revised Statutes, are amended to read:

19 **39-29-109.5. Interest differential - public school energy**
20 **efficiency fund - creation - uses - definitions - repeal.** (2) On
21 December 1, 2007, and the first day of every third month thereafter up to
22 and including September 1, 2010, the legislative council staff shall
23 calculate the interest differential earned during the prior calendar quarter
24 and notify the state treasurer of such amount. Upon receiving notice, the
25 treasurer shall transfer an amount equal to the interest differential from
26 the severance tax funds to the public school energy efficiency fund, which
27 is hereby created in the state treasury; except that the total transfer to the

1 fund for any state fiscal year shall not exceed one million five hundred
2 thousand dollars. Moneys in the fund are hereby continuously
3 appropriated to the GOVERNOR'S ENERGY office ~~of the governor to be used~~
4 ~~by the governor's energy office, or an analogous successor office,~~ for the
5 purposes set forth in subsection (3) of this section. All income and
6 interest derived from the deposit and investment of the moneys in the
7 fund shall be credited to the fund.

8 (3) The governor's energy office ~~or an analogous successor office,~~
9 shall use moneys appropriated from the fund to establish and manage a
10 program to improve energy efficiency in public schools. In administering
11 the program, the ~~governor's energy office or an analogous successor~~
12 ~~office,~~ shall give consideration to whether a public school or school
13 district is located in an area socially or economically impacted by the
14 development, processing, or energy conversion of minerals and mineral
15 fuels subject to taxation under this article. The program shall include the
16 following features:

17 **SECTION 16.** 40-2-123 (2) (j), Colorado Revised Statutes, is
18 amended to read:

19 **40-2-123. New energy technologies - consideration by**
20 **commission - incentives - demonstration projects.** (2) (j) In order to
21 reduce the cost to Colorado consumers of an IGCC project, the
22 department of public health and environment, the governor's office of
23 economic development, and the governor's ENERGY office ~~of energy~~
24 ~~management and conservation~~ may provide public utilities with
25 reasonable assistance in seeking and obtaining financial and other support
26 and sponsorship for a project from the United States congress, the United
27 States department of energy, and other appropriate federal and state

1 agencies and institutions. To obtain this assistance, the utility may
2 provide to these state agencies copies of its IGCC project proposal. The
3 governor's ENERGY office of energy management and conservation shall
4 manage and distribute to the utility some or all of any funds provided by
5 the state of Colorado or by the United States government to the state of
6 Colorado for purposes of study or development of an IGCC project.

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8 **SECTION 17.** 40-9.7-103, Colorado Revised Statutes, is
9 amended BY THE ADDITION OF A NEW SUBSECTION to read:

10 **40-9.7-103. Definitions.** As used in this article, unless the context
11 otherwise requires:

12 (8.5) "GOVERNOR'S ENERGY OFFICE" MEANS THE GOVERNOR'S
13 ENERGY OFFICE AS CREATED IN SECTION 24-38.5-101, C.R.S.

14 **SECTION 18.** 40-9.7-104 (2) (a) (IV), Colorado Revised
15 Statutes, is amended to read:

16 **40-9.7-104. Colorado clean energy development authority -**
17 **creation - board membership.** (2) The authority shall be governed by
18 a board of directors, which shall exercise the powers of the authority and
19 shall be composed of nine members, including:

20 (a) The following four ex officio members of the executive branch
21 of state government or their designees:

22 (IV) The director of the governor's ENERGY office, ~~of energy~~
23 ~~management and conservation~~, who shall serve as the chairperson of the
24 board.

25 **SECTION 19. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, and safety.