

**Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-1045.01 Thomas Morris

**HOUSE BILL 10-1418**

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**HOUSE SPONSORSHIP**

**McFadyen and Sonnenberg,**

**SENATE SPONSORSHIP**

**Bacon,**

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**House Committees**

Transportation & Energy

**Senate Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING REQUIREMENTS APPLICABLE TO COMMUNITY-BASED**  
102             **PROJECTS THAT QUALIFY FOR SPECIAL TREATMENT UNDER THE**  
103             **RENEWABLE ENERGY PORTFOLIO STANDARD.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

With regard to the renewable energy portfolio standard, the bill:  
!       Allows each kilowatt-hour of electricity generated from eligible energy resources at a community-based project to be counted as 2 kilowatt hours;

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.*

- ! Prohibits qualifying retail utilities from claiming the benefit of this new multiplier for any electricity that the qualifying retail utility claims for satisfaction of the distributed generation requirement enacted by House Bill 10-1001; and
- ! Modifies the definition of a "community-based project" to mean either a project that interconnects to electric transmission or distribution facilities owned by a Colorado cooperative electric association or municipal utility or a project that is owned by an organization or cooperative that is controlled by individual residents of the community.

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

2           **SECTION 1.** [REDACTED] 40-2-124 (1) (c) (VI) (A), Colorado  
3 Revised Statutes, is amended, and the said 40-2-124 (1) (c) is further  
4 amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

5           **40-2-124. Renewable energy standard - definitions - net**  
6 **metering.** (1) Each provider of retail electric service in the state of  
7 Colorado, other than municipally owned utilities that serve forty thousand  
8 customers or fewer, shall be considered a qualifying retail utility. Each  
9 qualifying retail utility, with the exception of cooperative electric  
10 associations that have voted to exempt themselves from commission  
11 jurisdiction pursuant to section 40-9.5-104 and municipally owned  
12 utilities, shall be subject to the rules established under this article by the  
13 commission. No additional regulatory authority of the commission other  
14 than that specifically contained in this section is provided or implied. In  
15 accordance with article 4 of title 24, C.R.S., the commission shall revise  
16 or clarify existing rules to establish the following:

17           (c) Electric resource standards:

18           (VI) Each kilowatt-hour of electricity generated from eligible  
19 energy resources at a community-based project shall be counted as one  
20 and one-half kilowatt-hours. [REDACTED] [REDACTED] For purposes of this

1 subparagraph (VI), "community-based project" means a project located  
2 in Colorado:

3 (A) That [REDACTED] is owned by individual residents of a  
4 community, ~~nonprofit~~ BY AN organization OR cooperative THAT IS  
5 CONTROLLED BY INDIVIDUAL RESIDENTS OF THE COMMUNITY, OR BY A  
6 local government entity or tribal council;

7 (IX) FOR PURPOSES OF STIMULATING RURAL ECONOMIC  
8 DEVELOPMENT AND FOR PROJECTS UP TO THIRTY MEGAWATTS OF  
9 NAMEPLATE CAPACITY, EACH KILOWATT HOUR OF ELECTRICITY  
10 GENERATED FROM RENEWABLE ENERGY RESOURCES THAT INTERCONNECTS  
11 TO ELECTRIC TRANSMISSION OR DISTRIBUTION FACILITIES OWNED BY A  
12 COOPERATIVE ELECTRIC ASSOCIATION OR MUNICIPALLY OWNED UTILITY  
13 COUNTS AS TWO KILOWATT HOURS FOR COMPLIANCE WITH THE  
14 REQUIREMENTS OF THIS PARAGRAPH (c) BY QUALIFYING RETAIL UTILITIES.  
15 THIS MULTIPLIER SHALL NOT BE CLAIMED FOR INTERCONNECTIONS THAT  
16 FIRST OCCUR AFTER DECEMBER 31, 2014, AND SHALL NOT BE USED IN  
17 CONJUNCTION WITH ANOTHER COMPLIANCE MULTIPLIER. TO THE EXTENT  
18 THAT A QUALIFYING RETAIL UTILITY CLAIMS THE BENEFIT DESCRIBED IN  
19 THIS SUBPARAGRAPH (IX), THOSE KILOWATT-HOURS OF ELECTRICITY DO  
20 NOT QUALIFY FOR SATISFACTION OF THE DISTRIBUTED GENERATION  
21 REQUIREMENT OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (c). THE  
22 COMMISSION SHALL SUBMIT A REPORT TO THE SENATE LOCAL  
23 GOVERNMENT AND ENERGY COMMITTEE AND THE HOUSE OF  
24 REPRESENTATIVES COMMITTEE ON TRANSPORTATION AND ENERGY, OR  
25 THEIR SUCCESSOR COMMITTEES, BY DECEMBER 31, 2012, REGARDING  
26 IMPLEMENTATION OF THIS SUBPARAGRAPH (IX), INCLUDING HOW MANY  
27 MEGAWATTS OF ELECTRICITY HAVE BEEN CLAIMED PURSUANT TO THIS

1 SUBPARAGRAPH (IX) AND WHETHER THE COMMISSION RECOMMENDS THAT  
2 THE MULTIPLIER ESTABLISHED BY THIS SUBPARAGRAPH (IX) SHOULD BE  
3 CONTINUED.

4 **SECTION 2. Act subject to petition - effective date -**  
5 **applicability.** (1) This act shall take effect at 12:01 a.m. on the day  
6 following the expiration of the ninety-day period after final adjournment  
7 of the general assembly (August 11, 2010, if adjournment sine die is on  
8 May 12, 2010); except that, if a referendum petition is filed pursuant to  
9 section 1 (3) of article V of the state constitution against this act or an  
10 item, section, or part of this act within such period, then the act, item,  
11 section, or part shall not take effect unless approved by the people at the  
12 general election to be held in November 2010 and shall take effect on the  
13 date of the official declaration of the vote thereon by the governor.

14 (2) The provisions of this act shall apply to conduct occurring on  
15 or after the applicable effective date of this act.