

First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 11-0469.01 Thomas Morris

**HOUSE BILL 11-1271**

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**HOUSE SPONSORSHIP**

**Scott,**

**SENATE SPONSORSHIP**

**Brophy,**

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**House Committees**  
Transportation

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING LIMITATIONS ON ELECTRIC UTILITIES' ABILITY TO**  
102 **ESTABLISH A GRADUATED SCALE OF CHARGES.**

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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>.)*

Current law allows heat, light, gas, water, power, and telephone utilities to establish a graduated scale of charges. The bill requires electric utilities that are currently charging a residential tiered rate to file with the public utilities commission a revised residential rate design by April 30, 2011, to take effect on or before June 1, 2011, that collapses the

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  
Amended 2nd Reading  
April 19, 2011

residential summer tiered rate into a single rate that applies to all kilowatt-hours consumed by the residential customer during the summer. The single rate must be designed to collect the same revenues during the summer as the tiered rate was designed to collect. An electric utility cannot charge a residential tiered rate or residential inverted block rate until the utility files a new electric rate case.

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

2           **SECTION 1.** 40-3-106 (2), Colorado Revised Statutes, is  
3 amended to read:

4           **40-3-106. Advantages prohibited - graduated schedules -**  
5 **consideration of household income and other factors - definitions.**

6 (2) (a) Nothing in articles 1 to 7 of this title ~~shall be taken to prohibit~~  
7 PROHIBITS a public utility engaged in the production, generation,  
8 transmission, or furnishing of heat, light, gas, water, power, or telephone  
9 service from establishing a graduated scale of charges subject to ~~the~~  
10 ~~provisions of~~ this title.

11           (b) EACH ELECTRIC UTILITY REGULATED BY THE PUBLIC UTILITIES  
12 COMMISSION THAT, ON THE EFFECTIVE DATE OF THIS PARAGRAPH (b), IS  
13 CHARGING A RESIDENTIAL TIERED RATE SHALL FILE WITH THE COMMISSION  
14 A REPORT THAT EVALUATES THE ESTIMATED IMPACT OF THE TIERED  
15 RATE STRUCTURE ON CUSTOMER USAGE PATTERNS. THE UTILITY SHALL  
16 PREPARE AND FILE THE REPORT WITH THE COMMISSION BY DECEMBER 1,  
17 2011, UNLESS THE COMMISSION GRANTS AN EXTENSION FOR GOOD CAUSE.  
18 THE COMMISSION SHALL PREPARE AND SUBMIT A REPORT REGARDING  
19 UTILITY TIERED RATE STRUCTURES TO THE GENERAL ASSEMBLY BY MARCH  
20 1, 2012. THE COMMISSION'S REPORT MUST EVALUATE WHETHER THE  
21 COMMISSION SHOULD PLACE ANY LIMITATIONS ON THE FUTURE USE OF  
22 GRADUATED SCALE OF CHARGES.

1           **SECTION 2. Applicability.** This act shall apply to rates charged  
2 on or after the effective date of this act.

3           **SECTION 3. Safety clause.** The general assembly hereby finds,  
4 determines, and declares that this act is necessary for the immediate  
5 preservation of the public peace, health, and safety.