

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

February 24, 2011

Date

Committee on Agriculture, Natural Resources, and Energy.

After consideration on the merits, the Committee recommends the following:

SB11-045 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. Article 4 of title 40, Colorado Revised Statutes, is  
4 amended BY THE ADDITION OF A NEW SECTION to read:

5 **40-4-119. Siting of electric transmission facilities - task force**  
6 **- repeal.** (1) **Legislative declaration.** THE GENERAL ASSEMBLY FINDS,  
7 DETERMINES, AND DECLARES THAT THE DEVELOPMENT OF NEW ELECTRIC  
8 TRANSMISSION FACILITIES IS NECESSARY TO PROMOTE THE DEVELOPMENT  
9 OF ADDITIONAL CLEAN AND RENEWABLE ELECTRIC GENERATION  
10 RESOURCES, COLORADO'S ENERGY SECURITY, AND THE STATE'S  
11 LONG-TERM ECONOMIC GROWTH. THE SITING AND PERMITTING OF  
12 ELECTRIC TRANSMISSION FACILITIES IS CURRENTLY SUBJECT TO VARIOUS  
13 STATE AND LOCAL GOVERNMENT REQUIREMENTS. BECAUSE ELECTRIC  
14 TRANSMISSION FACILITIES OFTEN TRAVERSE MULTIPLE JURISDICTIONS,  
15 COMPLIANCE WITH MULTIPLE REQUIREMENTS CREATES THE POTENTIAL FOR  
16 PERMITTING DELAYS OR INCONSISTENT DECISIONS. IT IS, THEREFORE, IN  
17 THE STATE'S INTEREST TO CONSIDER OPPORTUNITIES TO IMPROVE EXISTING  
18 SITING AND PERMITTING PROCESSES APPLICABLE TO ELECTRIC  
19 TRANSMISSION FACILITIES, INCLUDING THE POSSIBLE ESTABLISHMENT OF  
20 A SINGLE, STATEWIDE SITING AND PERMITTING PROCESS FOR SUCH  
21 FACILITIES.

22 (2) **Task force and report.** (a) THERE IS HEREBY CREATED THE  
23 TASK FORCE ON STATEWIDE TRANSMISSION SITING AND PERMITTING, ALSO

1 REFERRED TO IN THIS SECTION AS THE "TASK FORCE". THE TASK FORCE  
2 SHALL MAKE RECOMMENDATIONS TO THE GOVERNOR AND THE GENERAL  
3 ASSEMBLY REGARDING COLORADO'S EXISTING STATUTORY AND  
4 REGULATORY FRAMEWORK APPLICABLE TO THE SITING AND PERMITTING  
5 OF ELECTRIC TRANSMISSION FACILITIES AS WELL AS OPPORTUNITIES TO  
6 IMPROVE THAT FRAMEWORK. THE TASK FORCE SHALL TAKE TESTIMONY  
7 ON THE TOPICS LISTED IN SUBSECTION (4) OF THIS SECTION AND SHALL  
8 REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY ON SUCH  
9 TESTIMONY AND RECOMMENDATIONS NO LATER THAN DECEMBER 1, 2011.  
10 EACH RECOMMENDATION MADE BY THE TASK FORCE REQUIRES THE  
11 AFFIRMATIVE CONSENT OF A MAJORITY OF ITS MEMBERS AND MAY BE  
12 ACCOMPANIED BY A MINORITY REPORT, AS APPROPRIATE.

13 (b) THE TASK FORCE SHALL HOLD AT LEAST FOUR MEETINGS,  
14 WHICH SHALL BE OPEN TO THE PUBLIC. THE TASK FORCE SHALL ELECT A  
15 CHAIR AND A VICE-CHAIR FROM ITS MEMBERS AT ITS FIRST MEETING. THE  
16 TASK FORCE SHALL SOLICIT AND RECEIVE COMMENTS FROM MEMBERS OF  
17 THE PUBLIC, WHICH MUST INCLUDE AN OPPORTUNITY FOR COLORADO  
18 RESIDENTS TO SUBMIT WRITTEN COMMENTS TO THE TASK FORCE. THE  
19 TASK FORCE MAY DETERMINE THE MANNER IN WHICH SUCH COMMENTS  
20 ARE RECEIVED.

21 (c) THE TASK FORCE SHALL CONSIDER AND GIVE WEIGHT TO PUBLIC  
22 COMMENTS RECEIVED DURING THE PUBLIC HEARING PROCESS, AS WELL AS  
23 WRITTEN COMMENTS FROM AFFECTED COUNTIES, CITIES, ELECTRIC  
24 UTILITIES, OTHER ELECTRIC POWER PROVIDERS, CUSTOMERS,  
25 ENVIRONMENTAL GROUPS, AND OTHER INTERESTED STAKEHOLDERS.

26 (3) **Membership.** (a) THE TASK FORCE CONSISTS OF SIXTEEN  
27 MEMBERS AS FOLLOWS:

28 (I) THE DIRECTOR OF THE COMMISSION, OR HIS OR HER DESIGNEE,  
29 WHO SHALL CONVENE THE TASK FORCE AND WHO IS AUTHORIZED TO  
30 CONTRACT WITH A MEDIATOR OR OTHER THIRD PARTY TO FACILITATE  
31 ACCOMPLISHMENT OF THE TASK FORCE'S DUTIES;

32 (II) EIGHT MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

33 (A) ONE MEMBER REPRESENTING COOPERATIVE ELECTRIC  
34 ASSOCIATIONS THAT DISTRIBUTE ELECTRICITY;

35 (B) ONE MEMBER REPRESENTING COOPERATIVE ELECTRIC  
36 ASSOCIATIONS THAT GENERATE AND TRANSMIT ELECTRICITY;

37 (C) TWO MEMBERS REPRESENTING INVESTOR-OWNED ELECTRIC  
38 UTILITIES;

39 (D) TWO MEMBERS REPRESENTING MUNICIPALLY OWNED ELECTRIC  
40 UTILITIES;

41 (E) ONE MEMBER REPRESENTING RENEWABLE ENERGY ELECTRIC

1 GENERATION INTERESTS; AND

2 (F) ONE MEMBER REPRESENTING LARGE COMMERCIAL CONSUMERS

3 OF ELECTRICITY;

4 (III) ONE MEMBER APPOINTED BY THE SPEAKER OF THE HOUSE OF

5 REPRESENTATIVES, WHO MUST NOT BE AFFILIATED WITH ANY OF THE

6 GROUPS REPRESENTED BY OTHER MEMBERS OF THE TASK FORCE;

7 (IV) ONE MEMBER APPOINTED BY THE PRESIDENT OF THE SENATE,

8 WHO MUST NOT BE AFFILIATED WITH ANY OF THE GROUPS REPRESENTED BY

9 OTHER MEMBERS OF THE TASK FORCE;

10 (V) TWO MEMBERS REPRESENTING THE INTERESTS OF COLORADO

11 MUNICIPALITIES, APPOINTED BY THE EXECUTIVE DIRECTOR OF THE

12 COLORADO MUNICIPAL LEAGUE OR ITS SUCCESSOR ORGANIZATION;

13 (VI) TWO MEMBERS REPRESENTING THE INTERESTS OF COLORADO

14 COUNTIES, APPOINTED BY THE EXECUTIVE DIRECTOR OF COLORADO

15 COUNTIES, INCORPORATED, OR ITS SUCCESSOR ORGANIZATION; AND

16 (VII) THE DIRECTOR OF THE GOVERNOR'S ENERGY OFFICE CREATED

17 IN SECTION 24-38.5-101, C.R.S., OR HIS OR HER DESIGNEE.

18 (b) THE APPOINTING AUTHORITIES SHALL MAKE THEIR

19 APPOINTMENTS WITHIN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS

20 SECTION.

21 (c) THE OFFICIAL WHO APPOINTED A MEMBER WHOSE ABSENCE

22 RESULTS IN A VACANCY SHALL FILL THE VACANCY BY APPOINTMENT.

23 (4) **Scope of inquiry.** AT A MINIMUM, THE TASK FORCE SHALL

24 TAKE COMMENTS ON THE FOLLOWING TOPICS:

25 (a) AN INVENTORY AND EVALUATION OF COLORADO'S CURRENT

26 SITING AND PERMITTING FRAMEWORK FOR ELECTRIC TRANSMISSION

27 FACILITIES, INCLUDING ITS BENEFITS AND SHORTCOMINGS;

28 (b) RESEARCH INTO EXAMPLES OF HOW OTHER STATES APPROACH

29 SITING AND PERMITTING OF ELECTRIC TRANSMISSION FACILITIES;

30 (c) IDENTIFICATION OF POSSIBLE MODELS FOR IMPROVING

31 COLORADO'S EXISTING SITING AND PERMITTING PROCESSES APPLICABLE TO

32 ELECTRIC TRANSMISSION FACILITIES;

33 (d) RECOMMENDED ACTIONS TO STREAMLINE SITING AND

34 PERMITTING PROCESSES APPLICABLE TO ELECTRIC TRANSMISSION

35 FACILITIES, INCLUDING A BALANCING OF ENVIRONMENTAL, LAND USE, AND

36 COMMUNITY EFFECTS WITH TRANSMISSION PROJECT COSTS AND SCHEDULE

37 RISKS;

38 (e) AN EXAMINATION OF THE ADVANTAGES AND DISADVANTAGES

39 OF A STATEWIDE TRANSMISSION SITING AND PERMITTING FRAMEWORK FOR

40 ELECTRIC TRANSMISSION FACILITIES; AND

41 (f) AN EXAMINATION OF THE POLITICAL ACCEPTABILITY OF, AND

1 POTENTIAL STRATEGIES FOR, CREATING A STATE-LEVEL SITING ENTITY.  
2 (5) **Funding.** (a) THE COMMISSION MAY ACCEPT PRIVATE GIFTS,  
3 GRANTS, AND DONATIONS FOR THE PURPOSE OF PROVIDING SUPPORT TO  
4 THE TASK FORCE TO PERFORM ITS RESPONSIBILITIES. THE COMMISSION  
5 SHALL TRANSFER ALL SUCH GIFTS, GRANTS, AND DONATIONS TO THE STATE  
6 TREASURER, WHO SHALL CREDIT THEM TO A SEPARATE ACCOUNT, WHICH  
7 IS HEREBY CREATED, IN THE PUBLIC UTILITIES COMMISSION FIXED UTILITY  
8 FUND CREATED IN SECTION 40-2-114.  
9 (b) THE COMMISSION IS NOT REQUIRED TO SOLICIT GIFTS, GRANTS,  
10 OR DONATIONS FROM ANY SOURCE FOR THE PURPOSES OF THE TASK FORCE.  
11 NO GENERAL FUND MONEYS SHALL BE USED TO PAY FOR ANY EXPENSES OF  
12 THE TASK FORCE.  
13 (c) IF, BY JUNE 1, 2011, MONEYS IN THE ACCOUNT HAVE NOT  
14 REACHED AN AMOUNT SUFFICIENT TO PAY THE EXPENSES OF THE TASK  
15 FORCE:  
16 (I) THE TASK FORCE SHALL NOT MEET OR UNDERTAKE ANY OTHER  
17 DUTIES PURSUANT TO THIS SECTION;  
18 (II) THE COMMISSION SHALL RETURN TO EACH GRANTOR OR DONOR  
19 AN AMOUNT EQUAL TO SUCH GRANTOR'S OR DONOR'S CONTRIBUTION; AND  
20 (III) THE STATE TREASURER SHALL TRANSFER THE INTEREST, IF  
21 ANY, EARNED FROM THE INVESTMENT OF MONEYS IN THE ACCOUNT TO THE  
22 GENERAL FUND.  
23 (6) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31,  
24 2011.  
25 **SECTION 2. 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."

28 Page 1, line 103, strike "FACILITIES." and substitute "FACILITIES, AND,  
29 IN CONNECTION THEREWITH, CREATING A TASK FORCE."

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