

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

May 2, 2011
Date

Committee on Agriculture, Natural Resources, and Energy.

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

SB11-032 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 2 of title 40, Colorado Revised Statutes, is
4 amended BY THE ADDITION OF A NEW SECTION to read:

5 **40-2-130. Program for on-bill financing of energy efficiency**
6 **or renewable energy improvements - rules - definition.** (1) AS USED
7 IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "ENERGY
8 EFFICIENCY OR RENEWABLE ENERGY IMPROVEMENT" MEANS:

9 (a) ANY REPAIR OF, OR ADDITION OR IMPROVEMENT TO, REAL
10 PROPERTY THAT IMPROVES THE ENERGY EFFICIENCY OF THE PROPERTY OR
11 REPLACES ALL OR A PORTION OF THE ENERGY FROM NONRENEWABLE
12 SOURCES USED IN CONNECTION WITH THE PROPERTY WITH ENERGY FROM
13 RENEWABLE SOURCES; OR

14 (b) ANY INSTALLATION OF, OR CONNECTION WITH, EQUIPMENT
15 THAT PRODUCES OR CONDUCTS RECYCLED ENERGY OR RENEWABLE
16 ENERGY RESOURCES, AS DEFINED IN SECTION 40-2-124 (1) (a), OR SOLAR
17 HEATING AND COOLING SYSTEMS, FOR USE ON REAL PROPERTY.

18 (2) NO LATER THAN JANUARY 1, 2012, THE COMMISSION SHALL
19 PROMULGATE RULES, IN ACCORDANCE WITH SECTION 40-2-108, THAT
20 ESTABLISH A PROGRAM FOR FINANCING ENERGY EFFICIENCY OR
21 RENEWABLE ENERGY IMPROVEMENTS TO REAL PROPERTY UNDER WHICH
22 EITHER:

23 (a) A FULL SERVICE CUSTOMER OF A PUBLIC UTILITY THAT SELLS

1 ELECTRICITY OR NATURAL GAS SHALL ENTER INTO AN ON-BILL FINANCING
2 ARRANGEMENT WITH THE PUBLIC UTILITY FOR THE PURPOSE OF FINANCING
3 SUCH IMPROVEMENTS; OR

4 (b) A PUBLIC UTILITY SHALL PARTNER WITH A LENDER TO PROVIDE
5 CREDIT ENHANCEMENTS FOR THE PURPOSE OF REDUCING THE COST TO ITS
6 FULL SERVICE CUSTOMERS OF FINANCING SUCH IMPROVEMENTS.

7 (3) THE PROGRAM ESTABLISHED BY THE COMMISSION PURSUANT
8 TO SUBSECTION (2) OF THIS SECTION SHALL BE CONSIDERED A DSM
9 PROGRAM FOR PURPOSES OF PART 1 OF ARTICLE 3.2 OF THIS TITLE, AND
10 ANY EXPENDITURES UP TO TWO MILLION DOLLARS MADE BY A PUBLIC
11 UTILITY IN PARTICIPATING IN FUNDING, IMPLEMENTING, OR ADMINISTERING
12 THE PROGRAM SHALL BE CONSIDERED DSM PROGRAM EXPENDITURES
13 THAT MAY BE DIVERTED FROM OTHER DSM PROGRAMS FOR THE PURPOSES
14 OF SAID PART 1. THE PROGRAM SHALL COMPLY WITH ALL OTHER RULES OR
15 POLICIES ESTABLISHED BY THE COMMISSION FOR DSM PROGRAMS.

16 (4) IN ESTABLISHING THE PROGRAM PURSUANT TO SUBSECTION (2)
17 OF THIS SECTION, THE COMMISSION SHALL ENSURE THAT IT ALLOWS
18 SUFFICIENT FINANCING CHARGES TO ENSURE THAT THE PROGRAM CAN BE
19 PERMANENTLY SELF-SUSTAINING AFTER THE INITIAL START-UP
20 INVESTMENT HAS BEEN MADE.

21 **SECTION 2. Act subject to petition - effective date.** This act
22 shall take effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly (August
24 10, 2011, if adjournment sine die is on May 11, 2011); except that, if a
25 referendum petition is filed pursuant to section 1 (3) of article V of the
26 state constitution against this act or an item, section, or part of this act
27 within such period, then the act, item, section, or part shall not take effect
28 unless approved by the people at the general election to be held in
29 November 2012 and shall take effect on the date of the official
30 declaration of the vote thereon by the governor."

31 Page 1, line 103, strike "CLEAN" and substitute "ENERGY EFFICIENCY OR
32 RENEWABLE".

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