A BILL FOR AN ACT

CONCERNING REDUCING THE COST OF ATTAINMENT OF RENEWABLE ENERGY STANDARDS BY ELECTRIC UTILITIES THAT ARE NOT INVESTOR-OWNED, AND, IN CONNECTION THEREWITH, ALLOWING PURCHASES OF ELECTRICITY FROM COMMUNITY SOLAR GARDENS BY COOPERATIVE ELECTRIC ASSOCIATIONS TO QUALIFY AS RETAIL DISTRIBUTED GENERATION.

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.)

Under Colorado's renewable energy standard, by the year 2020,
cooperative electric associations and municipally owned electric utilities will be required to obtain at least 10% and, in the case of a large cooperative serving 100,000 or more customers, 20% of the electricity they sell at retail from renewable sources. Renewable sources include "retail distributed generation", defined as a renewable energy resource located on the site of the customer's facilities and interconnected on the customer's side of the meter. Rooftop solar panels are the most common form of retail distributed generation.

The bill allows these utilities to count each kilowatt-hour of electricity obtained through retail distributed generation as 3 kilowatt-hours for purposes of meeting the 2020 standard. In addition, the bill allows cooperative electric associations to use purchases from community solar gardens to meet the retail distributed generation component of the renewable energy standard.

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

SECTION 1. In Colorado Revised Statutes, 40-2-124, amend (1)

(c) (II) (A) and (1) (c) (VII) as follows:


(1) Each provider of retail electric service in the state of Colorado, other than municipally owned utilities that serve forty thousand customers or fewer, is a qualifying retail utility. Each qualifying retail utility, with the exception of cooperative electric associations that have voted to exempt themselves from commission jurisdiction pursuant to section 40-9.5-104 and municipally owned utilities, is subject to the rules established under this article by the commission. No additional regulatory authority is provided to the commission other than that specifically contained in this section. In accordance with article 4 of title 24, C.R.S., the commission shall revise or clarify existing rules to establish the following:

(c) Electric resource standards:

(II) (A) Of the amounts of distributed generation in
sub-subparagraphs (C), (D), and (E) of subparagraph (I) sub-subparagraph (D) of subparagraph (V), and subparagraph (V.5) of this paragraph (c), at least one-half must be derived from retail distributed generation; except that this sub-subparagraph (A) does not apply to a qualifying retail utility that is a municipal utility.

(VII) (A) For purposes of compliance with the standards set forth in subparagraphs (V) and (V.5) of this paragraph (c), each kilowatt-hour of renewable electricity generated from solar electric generation technologies shall be counted as three kilowatt-hours.

(B) Sub-subparagraph (A) of this subparagraph (VII) applies only to solar electric technologies that begin producing electricity prior to July 1, 2015. For solar electric technologies that begin producing electricity on or after July 1, 2015, each kilowatt-hour of renewable electricity shall be counted as one kilowatt-hour for purposes of compliance with the renewable energy standard.

(C) FOR PURPOSES OF COMPLIANCE WITH THE STANDARDS SET FORTH IN SUBPARAGRAPHS (V) AND (V.5) OF THIS PARAGRAPH (c), EACH KILOWATT-HOUR OF RENEWABLE ELECTRICITY GENERATED FROM RETAIL DISTRIBUTED GENERATION SHALL BE COUNTED AS THREE KILOWATT-HOURS.

SECTION 2. In Colorado Revised Statutes, 40-2-127, add (2) (b) (I) (C) as follows:

40-2-127. Community energy funds - community solar gardens - definitions - rules - legislative declaration. (2) Definitions. As used in this section, unless the context otherwise requires:

(b) In addition:

(I) (C) NOTWITHSTANDING ANY PROVISION OF THIS SECTION OR
SECTION 40-2-124 TO THE CONTRARY, A COMMUNITY SOLAR GARDEN
CONSTITUTES RETAIL DISTRIBUTED GENERATION FOR PURPOSES OF A
COOPERATIVE ELECTRIC ASSOCIATION'S COMPLIANCE WITH THE
APPLICABLE RENEWABLE ENERGY STANDARD UNDER SECTION 40-2-124.

SECTION 3. Act subject to petition - effective date. This act
takes effect at 12:01 a.m. on the day following the expiration of the
ninety-day period after final adjournment of the general assembly (August
5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
referendum petition is filed pursuant to section 1 (3) of article V of the
state constitution against this act or an item, section, or part of this act
within such period, then the act, item, section, or part will not take effect
unless approved by the people at the general election to be held in
November 2016 and, in such case, will take effect on the date of the
official declaration of the vote thereon by the governor.