

SB051_L.006

SENATE COMMITTEE OF REFERENCE REPORT

 Chairman of Committee

 Date
Committee on Local Government and Energy.

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

SB09-051 be amended as follows:

- 1 Amend printed bill, page 3, strike lines 9 and 10 and substitute the
- 2 following:
- 3 "are amended to read:";
- 4 line 21, strike "INCLUDING" and substitute "OR".
- 5 Page 4, strike lines 11 through 15.
- 6 Page 7, strike lines 10 through 27.
- 7 Strike pages 8 through 12.
- 8 Page 13, strike lines 1 through 16 and substitute the following:
- 9 "SECTION 9. 40-1-103 (2), Colorado Revised Statutes, is
- 10 amended BY THE ADDITION OF A NEW PARAGRAPH to read:
- 11 **40-1-103. Public utility defined.** (2) (c) THE SUPPLY OF
- 12 ELECTRICITY OR HEAT TO A CONSUMER OF THE ELECTRICITY OR HEAT
- 13 FROM SOLAR GENERATING EQUIPMENT LOCATED ON THE SITE OF THE
- 14 CONSUMER'S PROPERTY, WHICH EQUIPMENT IS OWNED OR OPERATED BY AN
- 15 ENTITY OTHER THAN THE CONSUMER, SHALL NOT SUBJECT THE OWNER OR
- 16 OPERATOR OF THE ON-SITE SOLAR GENERATING EQUIPMENT TO
- 17 REGULATION AS A PUBLIC UTILITY BY THE COMMISSION IF THE SOLAR
- 18 GENERATING EQUIPMENT IS SIZED TO SUPPLY NO MORE THAN ONE



1 HUNDRED TWENTY PERCENT OF THE AVERAGE ANNUAL CONSUMPTION OF
2 ELECTRICITY BY THE CONSUMER AT THAT SITE. FOR PURPOSES OF THIS
3 PARAGRAPH (c), THE CONSUMER'S SITE SHALL INCLUDE ALL CONTIGUOUS
4 PROPERTY OWNED OR LEASED BY THE CONSUMER, WITHOUT REGARD TO
5 INTERRUPTIONS IN CONTIGUITY CAUSED BY EASEMENTS, PUBLIC
6 THOROUGHFARES, TRANSPORTATION RIGHTS-OF-WAY, OR UTILITY
7 RIGHTS-OF-WAY.

8 **SECTION 10.** 40-2-124 (1) (c) (II) and (1) (e), Colorado Revised
9 Statutes, are amended, and the said 40-2-124 is further amended BY THE
10 ADDITION OF A NEW SUBSECTION, to read:

11 **40-2-124. Renewable energy standard - definitions - net**
12 **metering.** (1) Each provider of retail electric service in the state of
13 Colorado, other than municipally owned utilities that serve forty thousand
14 customers or less, shall be considered a qualifying retail utility. Each
15 qualifying retail utility, with the exception of cooperative electric
16 associations that have voted to exempt themselves from commission
17 jurisdiction pursuant to section 40-9.5-104 and municipally owned
18 utilities, shall be subject to the rules established under this article by the
19 commission. No additional regulatory authority of the commission other
20 than that specifically contained in this section is provided or implied. In
21 accordance with article 4 of title 24, C.R.S., on or before October 1, 2007,
22 the commission shall revise or clarify existing rules to establish the
23 following:

24 (c) Electric resource standards:

25 (II) (A) Of the amounts in subparagraph (I) of THIS paragraph (c),
26 ~~of this subsection (1)~~, at least four percent shall be derived from solar
27 electric generation technologies. At least one-half of this four percent
28 shall be derived from solar electric technologies located on-site at
29 customers' facilities.

30 (B) SOLAR GENERATING EQUIPMENT LOCATED ON-SITE AT
31 CUSTOMER'S FACILITIES SHALL BE SIZED TO SUPPLY NO MORE THAN ONE
32 HUNDRED TWENTY PERCENT OF THE AVERAGE ANNUAL CONSUMPTION OF
33 ELECTRICITY BY THE CONSUMER AT THAT SITE. FOR PURPOSES OF THIS
34 SUB-SUBPARAGRAPH (B), THE CONSUMER'S "SITE" SHALL INCLUDE ALL
35 CONTIGUOUS PROPERTY OWNED OR LEASED BY THE CONSUMER, WITHOUT
36 REGARD TO INTERRUPTIONS IN CONTIGUITY CAUSED BY EASEMENTS,



1 PUBLIC THOROUGHFARES, TRANSPORTATION RIGHTS-OF-WAY, OR UTILITY
2 RIGHTS-OF-WAY.

3 (e) A standard rebate offer program, UNDER WHICH:

4 (I) Each qualifying retail utility, except for cooperative electric
5 associations and municipally owned utilities, shall make available to its
6 retail electricity customers a standard rebate offer of a minimum of two
7 dollars per watt for the installation of eligible solar electric generation on
8 customers' premises up to a maximum of one hundred kilowatts per
9 installation. Such offer shall allow the customer's retail electricity
10 consumption to be offset by the solar electricity generated. To the extent
11 that solar electricity generation exceeds the customer's consumption
12 during a billing month, such excess electricity shall be carried forward as
13 a credit to the following month's consumption. To the extent that solar
14 electricity generation exceeds the customer's consumption during a
15 calendar year, the customer shall be reimbursed by the qualifying retail
16 utility at its average hourly incremental cost of electricity supply over the
17 prior twelve-month period UNLESS THE CUSTOMER MAKES A ONE-TIME
18 ELECTION, IN WRITING, TO REQUEST THAT THE EXCESS ELECTRICITY BE
19 CARRIED FORWARD AS A CREDIT FROM MONTH TO MONTH INDEFINITELY
20 UNTIL THE CUSTOMER TERMINATES SERVICE WITH THE QUALIFYING RETAIL
21 UTILITY, AT WHICH TIME NO PAYMENT SHALL BE REQUIRED FROM THE
22 QUALIFYING RETAIL UTILITY FOR ANY REMAINING EXCESS ELECTRICITY
23 SUPPLIED BY THE CUSTOMER. The qualifying retail utility shall not apply
24 unreasonably burdensome interconnection requirements in connection
25 with this standard rebate offer. Electricity generated under this program
26 shall be eligible for the qualifying retail utility's compliance with this
27 article.

28 (II) SALES OF ELECTRICITY TO A CONSUMER MAY BE MADE BY THE
29 OWNER OR OPERATOR OF THE SOLAR ELECTRIC GENERATION FACILITIES
30 LOCATED ON THE SITE OF THE CONSUMER'S PROPERTY IF THE SOLAR
31 GENERATING EQUIPMENT IS SIZED TO SUPPLY NO MORE THAN ONE
32 HUNDRED TWENTY PERCENT OF THE AVERAGE ANNUAL CONSUMPTION OF
33 ELECTRICITY BY THE CONSUMER AT THAT SITE. FOR PURPOSES OF THIS
34 SUBPARAGRAPH (II), THE CONSUMER'S SITE SHALL INCLUDE ALL
35 CONTIGUOUS PROPERTY OWNED OR LEASED BY THE CONSUMER, WITHOUT
36 REGARD TO INTERRUPTIONS IN CONTIGUITY CAUSED BY EASEMENTS,
37 PUBLIC THOROUGHFARES, TRANSPORTATION RIGHTS-OF-WAY, OR UTILITY
38 RIGHTS-OF-WAY. IF THE SOLAR ELECTRIC GENERATION FACILITY IS NOT



1 OWNED BY THE CONSUMER, THEN THE QUALIFYING RETAIL UTILITY SHALL
2 NOT BE REQUIRED BY THE COMMISSION TO PAY FOR THE RENEWABLE
3 ENERGY CREDITS GENERATED BY THE FACILITY ON ANY BASIS OTHER THAN
4 A METERED BASIS. THE OWNER OR OPERATOR OF THE SOLAR ELECTRIC
5 GENERATION FACILITY SHALL PAY THE COST OF INSTALLING THE
6 PRODUCTION METER.

7 (III) THE COMMISSION SHALL ENCOURAGE QUALIFYING RETAIL
8 UTILITIES TO DESIGN SOLAR PROGRAMS THAT ALLOW CONSUMERS OF ALL
9 INCOME LEVELS TO OBTAIN THE BENEFITS OFFERED BY SOLAR ELECTRICITY
10 GENERATION AND SHALL ALLOW PROGRAMS THAT ARE DESIGNED TO
11 EXTEND PARTICIPATION TO CUSTOMERS IN MARKET SEGMENTS THAT HAVE
12 NOT BEEN RESPONDING TO THE STANDARD REBATE OFFER PROGRAM.

13 (1.5) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
14 CONTRARY, PARAGRAPH (e) OF SUBSECTION (1) OF THIS SECTION SHALL
15 NOT APPLY TO A MUNICIPALLY OWNED UTILITY OR TO A COOPERATIVE
16 ELECTRIC ASSOCIATION."

17 Renumber succeeding section accordingly.

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