

SB272_L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Agriculture, Natural Resources, & Energy.SB13-272 be amended as follows:

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

3 **"SECTION 1. Short title.** This act shall be known and may be
4 cited as the "Energy Efficiency and Renewable Energy Jobs Act of 2013".

5 **SECTION 2.** In Colorado Revised Statutes, 40-1-102, **amend** (6)
6 as follows:

7 **40-1-102. Definitions.** As used in articles 1 to 7 of this title,
8 unless the context otherwise requires:

9 (6) "Demand-side management ~~programs~~" PROGRAM" or "DSM
10 ~~programs~~" PROGRAM" means A PROGRAM THAT PROMOTES OR REWARDS
11 CUSTOMERS FOR REDUCING FUEL CONSUMPTION THROUGH ANY
12 COMBINATION OF QUALIFIED DSM TECHNOLOGIES, INCLUDING:

13 (a) AN energy efficiency ~~conservation, load management, and~~
14 ~~demand response programs~~ or PROGRAM THAT UTILIZES TECHNOLOGIES
15 THAT IMPROVE ENERGY PRODUCTIVITY, INCLUDING HIGH-EFFICIENCY
16 FURNACES, HIGH-EFFICIENCY WATER HEATERS, AND INSULATION;

17 (b) A QUALIFIED CONSUMER-SITED RENEWABLE ENERGY
18 TECHNOLOGY THAT REDUCES OR OFFSETS A CUSTOMER'S CONSUMPTION OF
19 FOSSIL FUELS, INCLUDING SOLAR THERMAL ENERGY AND
20 GROUND-SOURCED HEAT PUMPS;

21 (c) AN ENERGY CONSERVATION PROGRAM THAT LEADS TO
22 REDUCED CONSUMPTION OF ENERGY DERIVED FROM FOSSIL FUELS,
23 INCLUDING CONSUMER BEHAVIORAL CHANGE PROGRAMS, PROGRAMMABLE
24 THERMOSTATS, ENERGY MANAGEMENT SYSTEMS, AND DEMAND RESPONSE
25 PROGRAMS; AND

26 (d) Any combination of ~~these~~ THE programs LISTED IN
27 PARAGRAPHS (a) TO (c) OF THIS SUBSECTION (6).

28 **SECTION 3.** In Colorado Revised Statutes, 40-3.2-103, **amend**
29 (2) (a) as follows:

30 **40-3.2-103. Gas distribution utility demand-side management**
31 **programs - rules - recovery of costs.** (2) As part of the rule-making
32 proceeding required by subsection (1) of this section, the commission
33 shall:

34 (a) Adopt DSM program expenditure targets equal to at least
35 one-half of one percent, BUT NOT EXCEEDING FOUR PERCENT, of a natural
36 gas utility's revenues from its full service customers in the year prior to
37 setting such targets;



1 **SECTION 4.** In Colorado Revised Statutes, add 40-3.2-103.5 as
2 follows:

3 **40-3.2-103.5. Gas DSM through renewable energy - legislative**
4 **declaration - cost-effective technologies - rules - recovery of costs.**

5 (1) THE GENERAL ASSEMBLY:

6 (a) FINDS THAT:

7 (I) DEMAND-SIDE MANAGEMENT PROGRAMS SHOULD ADDRESS THE
8 FULL SPECTRUM OF DEMAND SIDE TECHNOLOGIES THAT REDUCE THE
9 DEMAND FOR ENERGY PRODUCED FROM FOSSIL FUELS; AND

10 (II) DEMAND-SIDE MANAGEMENT PROGRAMS SHOULD BE PURSUED
11 WHEN THE UTILITY COSTS FOR DSM MEASURES ARE EXCEEDED BY THE
12 VALUE OF THE BENEFITS OF THE DSM MEASURES AND WILL REDUCE THE
13 FUEL REQUIRED TO BE PURCHASED BY THE CONSUMER;

14 (b) DETERMINES THAT:

15 (I) IT IS PRUDENT TO INCLUDE APPROPRIATE RENEWABLE THERMAL
16 ENERGY TECHNOLOGIES IN DSM PROGRAMS AND TO ALLOCATE A
17 REASONABLE PORTION OF RATEPAYER FUNDS TO INVESTMENT IN
18 RENEWABLE THERMAL ENERGY TECHNOLOGIES THAT REDUCE FOSSIL FUEL
19 CONSUMPTION;

20 (II) COST-EFFECTIVE DSM PROGRAMS NOT ONLY REDUCE FUEL
21 AND POLLUTION, BUT ALSO PROVIDE ECONOMIC BENEFITS TO THE STATE
22 THROUGH JOB CREATION AND EXPANSION OF BUSINESS OPPORTUNITIES IN
23 THE STATE;

24 (III) DESPITE COLORADO'S ABUNDANT NATURAL GAS AND OTHER
25 HEATING RESOURCES, REDUCTION OF DEMAND FOR THESE RESOURCES IS
26 PRUDENT AND REFLECTS COLORADO'S PRIORITY FOR EFFECTIVE USE AND
27 STEWARDSHIP OF OUR NATURAL RESOURCES; AND

28 (IV) MAXIMIZING UTILITY INVESTMENT IN COST-EFFECTIVE
29 DEMAND-SIDE RESOURCES WILL DRIVE MARKET TRANSFORMATION AND
30 GROWTH IN COLORADO'S ADVANCED ENERGY SECTOR;

31 (V) CONSUMERS MAY INVEST IN DSM MEASURES FOR NUMEROUS
32 PERSONAL REASONS THAT MAY BE SEPARATE FROM UTILITY AND PUBLIC
33 BENEFIT CONCERNS; THEREFORE, UTILITY COSTS, RATHER THAN
34 CONSUMER COSTS, SHOULD BE THE MEASURE BY WHICH THE
35 COST-EFFECTIVENESS OF THE UTILITY INVESTMENT IS DETERMINED; AND

36 (VI) CHANGING THE COST-EFFECTIVENESS TEST FOR DSM
37 PROGRAMS TO EXCLUDE CONSUMER COSTS PROVIDES A MORE ACCURATE
38 MEASURE OF ENERGY BENEFIT TO THE UTILITY RATE-PAYER; AND

39 (c) DECLARES THAT THE COMMISSION'S ADOPTION OF RULES IN
40 ACCORDANCE WITH THIS SECTION IS IN THE PUBLIC INTEREST.

41 (2) (a) NOTWITHSTANDING SECTION 40-1-102 (5) (c), THE



1 COMMISSION SHALL MEASURE THE COST-EFFECTIVENESS OF DSM
2 PROGRAMS AND TECHNOLOGIES THAT OFFSET GAS CONSUMPTION USING A
3 UTILITY COST TEST THAT DOES NOT INCLUDE PARTICIPANT EXPENDITURES.

4 (b) EFFECTIVE JULY 1, 2013, THE COMMISSION SHALL GIVE
5 FULLEST CONSIDERATION TO DSM PLANS THAT INCORPORATE A DIVERSITY
6 OF DSM MEASURES, INCLUDING ENERGY EFFICIENCY MEASURES,
7 CONSERVATION MEASURES, AND QUALIFIED RENEWABLE DSM
8 TECHNOLOGIES.

9 (3) ON OR BEFORE SEPTEMBER 30, 2013, THE COMMISSION SHALL
10 COMMENCE A RULE-MAKING PROCEEDING TO ADOPT RULES THAT IDENTIFY
11 AND DEFINE RENEWABLE THERMAL ENERGY TECHNOLOGIES THAT ARE
12 EFFECTIVE IN REDUCING FOSSIL FUEL CONSUMPTION AS QUALIFIED
13 RENEWABLE DSM TECHNOLOGIES. THESE TECHNOLOGIES INCLUDE, AT A
14 MINIMUM:

15 (a) GROUND-SOURCED HEAT PUMPS; AND

16 (b) ACTIVE SOLAR THERMAL SYSTEMS THAT USE A LIQUID TO
17 COLLECT AND STORE HEAT.

18 (4) (a) AS PART OF THE RULE-MAKING PROCEEDING UNDER
19 SUBSECTION (3) OF THIS SECTION, THE COMMISSION SHALL CONSIDER AND,
20 IF APPROPRIATE, ADOPT RULES TO ENABLE, THE MOST COST-EFFECTIVE
21 MEANS OF ADMINISTERING DSM PROGRAMS BY OR ON BEHALF OF ONE OR
22 MORE INVESTOR-OWNED RETAIL NATURAL GAS UTILITIES THAT EACH
23 SERVE FEWER THAN TWO HUNDRED THOUSAND CUSTOMERS.

24 (b) IN ANY PROCEEDING CONCERNING DSM PROGRAMS OF
25 ELECTRIC UTILITIES, THE COMMISSION SHALL GIVE THE FULLEST POSSIBLE
26 CONSIDERATION TO MEASURES TO ENCOURAGE THE DEVELOPMENT AND
27 DEPLOYMENT OF RENEWABLE THERMAL ENERGY TECHNOLOGIES THAT
28 OFFSET ELECTRICITY CONSUMPTION, DRAWING UPON THE INFORMATION
29 AND EXPERIENCE GAINED IN THE COURSE OF THE RULE-MAKING
30 PROCEEDING UNDER SUBSECTION (3) OF THIS SECTION.

31 (5) AS WITH OTHER QUALIFIED DSM MEASURES, A UTILITY'S
32 FUNDING OF RENEWABLE THERMAL ENERGY TECHNOLOGIES IN
33 ACCORDANCE WITH THE RULES ADOPTED UNDER THIS SECTION IS ELIGIBLE
34 FOR REVIEW AND SUPPLEMENTAL BONUSES IN ACCORDANCE WITH SECTION
35 40-3.2-103 (6).

36 **SECTION 5.** In Colorado Revised Statutes, **amend** 40-3.2-105
37 as follows:

38 **40-3.2-105. Reporting requirement.** By April 30, 2009, and by
39 each April 30 thereafter, the commission shall submit a report to the
40 ~~business, labor, and technology~~ AGRICULTURE, NATURAL RESOURCES, AND
41 ENERGY committee of the senate, or its successor committee, and the

1 ~~business affairs and labor~~ TRANSPORTATION AND ENERGY committee of
2 the house of representatives, or its successor committee, on the progress
3 made by investor-owned utilities in meeting their natural gas and
4 electricity demand-side management goals. The report shall include any
5 recommended statutory changes the commission deems necessary to
6 further the intent of sections 40-3.2-103, ~~and~~ 40-3.2-104, AND
7 40-3.2-103.5.

8 **SECTION 6. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, and safety."

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