

HB1105\_L.001

## HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Transportation & Energy.HB13-1105 be amended as follows:

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

3 "SECTION 1. In Colorado Revised Statutes, add 24-38.5-102.7  
4 as follows:

5 **24-38.5-102.7. Colorado energy saving mortgage program -**  
6 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT  
7 OTHERWISE REQUIRES:

8 (a) "ACCREDITED HOME ENERGY RATING PROVIDER" MEANS A  
9 PERSON WHO RESNET HAS ACCREDITED THROUGH THE MORTGAGE  
10 INDUSTRY NATIONAL HOME ENERGY RATING SYSTEM ACCREDITATION  
11 STANDARD AS A RATING PROVIDER AND WHO APPEARS ON RESNET'S  
12 NATIONAL REGISTRY OF ACCREDITED RATING PROVIDERS OR A PERSON  
13 WHO MEETS OTHER RATING PROVIDER REQUIREMENTS ADOPTED IN  
14 GUIDELINES BY THE COLORADO ENERGY OFFICE PURSUANT TO PARAGRAPH  
15 (c) OF SUBSECTION (4) OF THIS SECTION.

16 (b) "CERTIFIED HOME ENERGY RATER" MEANS AN INDIVIDUAL WHO  
17 AN ACCREDITED HOME ENERGY RATING PROVIDER HAS CERTIFIED AS A  
18 RESNET HOME ENERGY RATER TO INSPECT AND EVALUATE A HOME'S  
19 ENERGY FEATURES, ASSIGN A HERS INDEX SCORE TO THE HOME, AND  
20 RECOMMEND ENERGY EFFICIENCY IMPROVEMENTS OR AN INDIVIDUAL WHO  
21 MEETS OTHER RATER CERTIFICATION REQUIREMENTS ADOPTED IN  
22 GUIDELINES BY THE COLORADO ENERGY OFFICE PURSUANT TO PARAGRAPH  
23 (c) OF SUBSECTION (4) OF THIS SECTION.

24 (c) "COLORADO ENERGY SAVING MORTGAGE PROGRAM" OR  
25 "PROGRAM" MEANS THE COLORADO ENERGY STAR/ENERGY SAVING  
26 MORTGAGE PROGRAM ADMINISTERED BY THE COLORADO ENERGY OFFICE  
27 AS OF JANUARY 1, 2013, AS MODIFIED BY THIS SECTION OR BY ANY  
28 PROGRAM CHANGES IMPLEMENTED BY THE COLORADO ENERGY OFFICE  
29 WITHIN THE LIMITATIONS SPECIFIED IN THIS SECTION, OR ANY SUCCESSOR  
30 PROGRAM.

31 (d) "ENERGY EFFICIENT HOME" MEANS A HOME THAT A CERTIFIED  
32 HOME ENERGY RATER HAS CERTIFIED AS HAVING A HERS INDEX SCORE OF  
33 NOT MORE THAN FIFTY OR THAT MEETS OTHER REQUIREMENTS FOR BEING  
34 AN ENERGY EFFICIENT HOME THAT THE COLORADO ENERGY OFFICE  
35 ADOPTS IN GUIDELINES PURSUANT TO SUBSECTION (4) OF THIS SECTION.

36 (e) "ENERGY SAVING MORTGAGE" MEANS A MORTGAGE ISSUED TO  
37 A BORROWER BY A PARTICIPATING LENDER THROUGH THE COLORADO



1 ENERGY SAVING MORTGAGE PROGRAM FOR THE PURPOSE OF FINANCING:  
2 (I) THE PURCHASE OF A NEWLY BUILT ENERGY EFFICIENT HOME; OR  
3 (II) IMPROVEMENTS TO AN ~~EXISTING HOME~~ THAT:  
4 (A) ARE MADE IN ACCORDANCE WITH RECOMMENDATIONS MADE  
5 BY OR APPROVED BY THE COLORADO ENERGY OFFICE FOLLOWING A  
6 RESIDENTIAL ENERGY AUDIT OF THE HOME; AND  
7 (B) ARE CONFIRMED BY POST-INSTALLATION VERIFICATION  
8 CONDUCTED BY THE COLORADO ENERGY OFFICE OR A VENDOR, INCLUDING  
9 BUT NOT LIMITED TO A PARTICIPATING UTILITY, UNDER CONTRACT WITH  
10 THE OFFICE TO HAVE IMPROVED THE ENERGY EFFICIENCY OF THE HOME TO  
11 THE EXTENT REQUIRED BY THE COLORADO ENERGY OFFICE.  
12 (f) "HERS INDEX" MEANS THE HOME ENERGY RATING SYSTEM  
13 INDEX ESTABLISHED BY RESNET TO MEASURE THE ENERGY EFFICIENCY  
14 OF A HOME.  
15 (g) "PARTICIPATING LENDER" MEANS A BANK, CREDIT UNION,  
16 OTHER FINANCIAL INSTITUTION, OR INDEPENDENT MORTGAGE BROKER  
17 THAT PARTICIPATES IN THE COLORADO ENERGY SAVING MORTGAGE  
18 PROGRAM BY ISSUING ENERGY SAVING MORTGAGES AND CONTRIBUTING  
19 FUNDING THAT REDUCES THE TOTAL COST OF THE MORTGAGES TO THE  
20 BORROWERS.  
21 (h) "PARTICIPATING PUBLIC UTILITY" MEANS A PUBLIC UTILITY, AS  
22 DEFINED IN SECTION 40-1-103, C.R.S., INCLUDING ANY MUNICIPALITY  
23 THAT OPERATES AN ELECTRIC UTILITY AND ANY COOPERATIVE ELECTRIC  
24 OR GAS ASSOCIATION OR NONPROFIT ELECTRIC CORPORATION OR  
25 ASSOCIATION, THAT:  
26 (I) PROVIDES ELECTRICITY OR NATURAL GAS TO RESIDENTIAL  
27 CUSTOMERS, WITHOUT REGARD TO WHETHER THE UTILITY, ASSOCIATION,  
28 OR CORPORATION IS SUBJECT TO OR EXEMPT, IN WHOLE OR IN PART, FROM  
29 THE "PUBLIC UTILITIES LAW", ARTICLES 1 TO 7 OF TITLE 40, C.R.S.;  
30 (II) CHOOSES TO PARTICIPATE IN THE COLORADO ENERGY SAVING  
31 MORTGAGE PROGRAM BY MEETING ALL REQUIREMENTS FOR  
32 PARTICIPATION SET FORTH IN GUIDELINES ADOPTED BY THE COLORADO  
33 ENERGY OFFICE; AND  
34 (III) IF IT IS REQUIRED TO COMPLY WITH THE PROVISIONS OF  
35 ARTICLE 3.2 OF TITLE 40, HAS, PRIOR TO ITS INITIAL PARTICIPATION IN THE  
36 COLORADO ENERGY SAVINGS MORTGAGE PROGRAM, HAD THE PUBLIC  
37 UTILITIES COMMISSION APPROVE A PARTICIPATION PLAN.  
38 (i) "RESNET" MEANS THE RESIDENTIAL ENERGY SERVICES  
39 NETWORK THAT IS A RECOGNIZED NATIONAL STANDARDS-MAKING BODY  
40 FOR BUILDING ENERGY EFFICIENCY RATING AND CERTIFICATION SYSTEMS  
41 IN THE UNITED STATES.  
42 (2) THE COLORADO ENERGY OFFICE MAY SPEND ANY AVAILABLE  
43 MONEYS TO FUND ENERGY SAVING MORTGAGES SUBJECT TO THE

1 FOLLOWING LIMITATIONS:

2 (a) TO THE EXTENT FEASIBLE, THE COLORADO ENERGY OFFICE  
3 SHALL SPEND MONEY EVENLY ON ENERGY SAVING MORTGAGES THAT  
4 FINANCE PURCHASES OF NEWLY BUILT ENERGY EFFICIENT HOMES AND  
5 ENERGY SAVING MORTGAGES THAT FINANCE IMPROVEMENTS TO EXISTING  
6 RESIDENCES;

7 (b) EACH ENERGY SAVING MORTGAGE MAY INCLUDE FUNDING  
8 THAT REDUCES THE TOTAL COST OF THE MORTGAGE TO THE BORROWER  
9 FROM BOTH A PARTICIPATING PUBLIC UTILITY AND A PARTICIPATING  
10 LENDER. THE COLORADO ENERGY OFFICE MAY ADOPT GUIDELINES TO  
11 SPECIFY MINIMUM PERCENTAGES OF TOTAL FUNDING FOR AN ENERGY  
12 SAVING MORTGAGE THAT EACH NONSTATE SOURCE OF FUNDING MUST  
13 PROVIDE.

14 (c) IF A UTILITY CHOOSES TO PARTICIPATE IN THE COLORADO  
15 ENERGY SAVINGS MORTGAGE PROGRAM BY PROVIDING DEMAND-SIDE  
16 MANAGEMENT PROGRAM MONEYS, SUCH MONEYS MAY ONLY BE USED  
17 TOWARDS ENERGY SAVINGS ATTRIBUTABLE TO ENERGY EFFICIENCY  
18 IMPROVEMENTS AND NOT TOWARDS ENERGY SAVINGS ATTRIBUTABLE TO  
19 RENEWABLE ENERGY OR ON-SITE ENERGY GENERATION IMPROVEMENTS.

20 (d) IF A UTILITY HAS EXISTING DEMAND-SIDE MANAGEMENT  
21 PROGRAMS FOR RESIDENTIAL NEW CONSTRUCTION OR WHOLE-HOUSE  
22 EXISTING RETROFITS, THE UTILITY MUST IDENTIFY, IN A DEMAND-SIDE  
23 MANAGEMENT PLAN APPROVED BY THE PUBLIC UTILITIES COMMISSION  
24 PRIOR TO THE UTILITY'S INITIAL PARTICIPATION IN THE COLORADO ENERGY  
25 MORTGAGE SAVINGS PROGRAM, HOW IT WILL TRACK PARTICIPATION IN ALL  
26 PROGRAMS, INCLUDING THE COLORADO ENERGY SAVINGS MORTGAGE  
27 PROGRAM, TO ENSURE THAT CUSTOMERS DO NOT RECEIVE MULTIPLE  
28 INCENTIVES.

29 (e) THE COLORADO ENERGY OFFICE MAY ONLY APPROVE AN  
30 ENERGY SAVING MORTGAGE THAT FINANCES IMPROVEMENTS TO AN  
31 EXISTING HOME IF THE IMPROVEMENTS ARE MADE BY OR APPROVED BY  
32 THE OFFICE FOLLOWING A RESIDENTIAL ENERGY AUDIT OF THE HOME AND  
33 ARE CONFIRMED BY POST-INSTALLATION VERIFICATION TO HAVE  
34 INCREASED THE ENERGY EFFICIENCY OF THE HOME TO THE EXTENT  
35 REQUIRED BY THE OFFICE. THE OFFICE MAY ADOPT GUIDELINES THAT  
36 SPECIFY REQUIREMENTS FOR ENERGY EFFICIENCY INCREASES AND THE  
37 CONDUCT OF RESIDENTIAL ENERGY AUDITS AND POST-INSTALLATION  
38 TESTING.

39 (f) SUBJECT TO THE FOLLOWING MAXIMUM VALUE LIMITATIONS,  
40 THE COLORADO ENERGY OFFICE MAY ADOPT ENERGY SAVINGS-BASED  
41 GUIDELINES THAT SET FORTH THE MAXIMUM TOTAL VALUE TO THE  
42 BORROWER IN TERMS OF REDUCTION IN THE TOTAL COSTS OF AN ENERGY  
43 SAVING MORTGAGE:

1 (I) FOR AN ENERGY SAVING MORTGAGE THAT FINANCES THE  
2 PURCHASE OF A NEW ENERGY EFFICIENT HOME, THE MAXIMUM TOTAL  
3 VALUE TO THE BORROWER IN TERMS OF REDUCTION IN THE TOTAL COSTS  
4 OF AN ENERGY SAVING MORTGAGE IS:

5 (A) FOR A HOME THAT HAS A HERS INDEX SCORE OF ZERO, EIGHT  
6 THOUSAND DOLLARS OR ANY LOWER AMOUNT THAT THE COLORADO  
7 ENERGY OFFICE ESTABLISHES IN GUIDELINES; OR

8 (B) FOR A HOME THAT HAS A HERS INDEX SCORE THAT IS  
9 GREATER THAN ZERO BUT NO MORE THAN FIFTY, ANY LOWER AMOUNTS  
10 THAT THE COLORADO ENERGY OFFICE ESTABLISHES IN GUIDELINES  
11 SUBJECT TO THE LIMITATION THAT IF THE OFFICE ESTABLISHES MULTIPLE  
12 LOWER AMOUNTS, THOSE AMOUNTS MUST INCREASE AS THE HERS INDEX  
13 SCORE OF A HOME DECREASES;

14 (II) FOR AN ENERGY SAVING MORTGAGE THAT FINANCES  
15 IMPROVEMENTS TO AN EXISTING HOME, THE MAXIMUM TOTAL VALUE TO  
16 THE BORROWER IN TERMS OF REDUCTION IN THE TOTAL COSTS OF AN  
17 ENERGY SAVING MORTGAGE IS THE LESSER OF ANY ENERGY  
18 SAVINGS-BASED AMOUNT ADOPTED IN GUIDELINES BY THE COLORADO  
19 ENERGY OFFICE OR EIGHT THOUSAND DOLLARS.

20 (g) THE COLORADO ENERGY OFFICE MAY SPEND MONEYS  
21 CONTRIBUTED BY A PARTICIPATING PUBLIC UTILITY ONLY FOR ENERGY  
22 SAVING MORTGAGES FOR HOMES WITHIN THE SERVICE AREA OF THE  
23 PARTICIPATING PUBLIC UTILITY.

24 (h) IF DEMAND-SIDE MANAGEMENT MONEYS CONTRIBUTED BY A  
25 PARTICIPATING UTILITY, WHEN COMBINED WITH MONEYS FROM ALL OTHER  
26 SOURCES, YIELD AN INCENTIVE AMOUNT THAT EXCEEDS THE INCREMENTAL  
27 COST OF THE ENERGY SAVING IMPROVEMENTS, THE UTILITY MUST SET  
28 FORTH THE TREATMENT OF THE DEMAND-SIDE MANAGEMENT MONEYS IN  
29 ITS DEMAND-SIDE MANAGEMENT PLAN AND HAVE THAT TREATMENT  
30 APPROVED BY THE PUBLIC UTILITIES COMMISSION.

31 (i) IF THE PARTICIPATION OF A PARTICIPATING UTILITY CAUSES  
32 ADDITIONAL ENERGY SAVINGS IMPROVEMENTS TO BE MADE, DUE TO THE  
33 MATCHING COLORADO ENERGY OFFICE AND LENDER MONEYS, THE PUBLIC  
34 UTILITIES COMMISSION MAY INCLUDE THE ADDITIONAL ENERGY SAVINGS  
35 BENEFITS AND EXCLUDE THE ADDITIONAL LEVERAGED MONEYS FROM THE  
36 BENEFIT-COST RATIO CALCULATION DESCRIBED IN SECTION 40-1-102 (5)  
37 (b), C.R.S.

38 (3) A PARTICIPATING PUBLIC UTILITY RECEIVES CREDIT FOR ITS  
39 PARTICIPATION IN THE PROGRAM TOWARDS ANY DEMAND SIDE  
40 MANAGEMENT PROGRAM TARGETS, CONTINGENT UPON PUBLIC UTILITIES  
41 COMMISSION APPROVAL, PURSUANT TO ARTICLE 3.2 OF TITLE 40, C.R.S.,  
42 OR MAY RECEIVE CREDIT TOWARDS ANY GREENHOUSE GAS EMISSIONS  
43 REQUIREMENTS THAT MAY BE ESTABLISHED IN THE FUTURE.

1           (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
2 IF ANOTHER INDEX OR MEASURE SUPERSEDES THE HERS INDEX AS THE  
3 INDUSTRY STANDARD FOR MEASURING BUILDING ENERGY EFFICIENCY, THE  
4 COLORADO ENERGY OFFICE MAY ADOPT GUIDELINES THAT:

5           (a) ADOPT THE OTHER INDEX OR MEASURE AS THE STANDARD FOR  
6 DETERMINING THE ENERGY EFFICIENCY OF A NEW HOME OR EXISTING  
7 RESIDENCE;

8           (b) SPECIFY VALUES ON THE NEW INDEX OR MEASURE THAT ARE  
9 COMPARABLE TO THE HERS INDEX SCORES AND POINT IMPROVEMENTS  
10 SPECIFIED IN THIS SECTION AND ARE TO BE USED TO DETERMINE  
11 ELIGIBILITY FOR AND THE MAXIMUM VALUE OF ENERGY SAVING  
12 MORTGAGES; AND

13           (c) SPECIFY THE REQUIREMENTS AND PROCEDURES, INCLUDING  
14 ANY REQUIRED ACCREDITATION OF RATING PROVIDERS OR CERTIFICATION  
15 OF RATERS, THAT MUST BE COMPLIED WITH IN RATING A NEW HOME OR  
16 EXISTING RESIDENCE UNDER THE OTHER INDEX OR MEASURE.

17           **SECTION 2. Safety clause.** The general assembly hereby finds,  
18 determines, and declares that this act is necessary for the immediate  
19 preservation of the public peace, health, and safety."

20 Page 1, line 102, strike "PROGRAM AND THE".

21 Page 1, strike line 103 and substitute "PROGRAM, ESTABLISHING".

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