COLORADO
Energy Office
Policy

2014 Legislative Summary

HB14-1011 : Advanced Industry Economic Development Funding

Sponsors/Cosponsors: *Representatives* - **YOUNG**, GEROU, KRAFT-THARP, BUCKNER, EXUM, FIELDS, FISCHER, GINAL, HAMNER, HULLINGHORST, KAGAN, LEE, MAY, MCCANN, MELTON, MITCH BUSH, PABON (D), PETTERSEN, ROSENTAL, RYDEN, SALAZAR (D), SCHAFER, SINGER, TYLER, WILLIAMS, FERRANDINO, LEBSOCK; *Senators* – **HEATH**, GUZMAN, KEFALAS, NEWELL, NICHOLSON, SCHWARTZ, TODD, ZENZINGER

Public Summary: The bill repeals the Colorado innovation investment tax credit and replaces it with the advanced industry investment tax credit (tax credit). The tax credit is available for a qualified investor who, prior to January 1, 2018, makes an equity investment in a qualified small business in the advanced industries, which consists of advanced manufacturing, aerospace, bioscience, electronics, energy and natural resources, information technology, and infrastructure engineering. The tax credit is equal to 25% of the investment or, if the qualified business is located in a rural area or economically distressed area. The maximum amount of credit for a single tax credit is $50,000, and the maximum of all tax credits allowed for a calendar year is $2 million, except that unused tax credits from 2014 may roll over into 2015. A tax credit may not be refunded, but it may be carried forward for 5 tax years. The Colorado office of economic development and international trade (OEDIT) determines the eligibility for the tax credit and issues nontransferable tax credit certificates as evidence of eligibility and the amount of the tax credit.

HB14-1012 : Advanced Industry Investment Income Tax Credit

Sponsors/Cosponsors**:** *Representatives* – **TYLER**, GEROU; *Senators* – **KEFALAS**

Public Summary: The bill repeals the Colorado innovation investment tax credit and replaces it with the advanced industry investment tax credit (tax credit). The tax credit is available for a qualified investor who, prior to January 1, 2018, makes an equity investment in a qualified small business in the advanced industries, which consists of advanced manufacturing, aerospace, bioscience, electronics, energy and natural resources, information technology, and infrastructure engineering. The tax credit is equal to 25% of the investment or, if the qualified business is located in a rural area or economically distressed area, it is equal to 30%. The maximum amount of credit for a single tax credit is $50,000, and the maximum of all tax credits allowed for a calendar year is $2 million, except that unused tax credits from 2014 may roll over into 2015. A tax credit may not be refunded, but it may be carried forward for 5 tax years. The Colorado office of economic development and international trade (OEDIT) determines the eligibility for the tax credit and issues nontransferable tax credit certificates as evidence of eligibility and the amount of the tax credit.

HB14-1013 : Advanced Industries Workforce Development Program

Sponsors/Cosponsors**:** *Representatives* – **LEE**, **FOOTE**; *Senators* – **TODD**

Public Summary: The bill would have created the advanced industries workforce development program in OEDIT. The purpose of the program was to allow the office to reimburse a business for one-half of its expenses related to a qualifying internship or apprenticeship.

HB14-1027 : Plug-in Electric Motor Vehicle Definition

Sponsors/Cosponsors**:** *Representatives* – **FISCHER, LEE, MITCH BUSH, PRIMAVERA, TYLER,** COURT, FIELDS, FOOTE, GINAL , HULLINGHORST, LABUDA, LEBSOCK, MCCANN, MELTION, PABON, PETTERSEN, SALAZAR, SCHAFER, YOUNG; *Senators* – **JONES, TODD,** CROWDER, GUZMAN, HEATH, JOHNSTON, KEFALAS, KERR, NEWELL, NICHOLSON, SCHWARTZ, ULIBARRI, ZENZINGER

Public Summary: For purposes of registering a motor vehicle, a "plug-in electric motor vehicle" is defined to include motor vehicles that are certified to be eligible for a particular federal tax credit and a catch-all provision that applies to other vehicles; for example, one that is retrofitted to be a plug-in electric vehicle. The bill clarified the catch-all component of the definition to ensure that it is not too expansive. The bill changed the definition to clarify that a plug-in electric motor vehicle is one that can be recharged from any external source of electricity, and said electricity is stored in a rechargeable battery pack which propels or helps to propel the vehicle's drive wheels.

HB14-1030 Hydroelectric Generation Incentive

Sponsors/Cosponsors**:** *Representatives* – **CORAM, MITSCH BUSH,** FISCHER, SONNENBERG, VIGIL, BECKER, FIELDS, FOOTE, GINAL, LABUDA, PETTERSEN, RANKIN, ROSENTHAL, SCHAFER, SCOTT, WILLIAMS, YOUNG; *Senators* – **SCHWARTZ, ROBERTS,** HODGE, GUZMAN, HEATH, JAHN, JOHNSTON, JONES, KEFALAS, KERR, NEWELL, NICHOLSON, STEADMAN, ULIBARRI

Public Summary: The bill as passed facilitates the development of hydroelectric energy systems. It requires the State Electrical Board in the Department of Regulatory Agencies (DORA) to apply the minimum standards in the 2011 National Electrical Code for small wind electrical production when inspecting a hydroelectric energy facility generator. In addition, it designates the CEO to coordinate the state review of proposed hydroelectric energy projects as part of the federal licensing process. The director of the CEO may establish guidelines concerning the process and deadlines for disseminating information to other state agencies and compiling comments. State agencies that comment on the review of a Federal Energy Regulatory Commission FERC application include the Division of Parks and Wildlife, Division of Water Resources, Department of Public Health and Environment, and State Historical Society.

HB14-1064 Severance Tax Distribution To Local Gov Limits Oil& Gas

Sponsors/Cosponsors**:** *Representatives* – **SONNENBERG**; *Senators* – **BROPHY**

Public Summary: This bill would have prohibited any local government with a moratorium or a permanent prohibition on the extraction of oil and gas within its boundaries from receiving more in energy impact assistance or direct distributions than it received in the fiscal year that the moratorium or prohibition was enacted.

HB14-1067 : Renewable Energy Electric Std REAs Move To 2025

Sponsors/Cosponsors**:** *Representatives* – **CONTI**; *Senators* – **CROWDER**

Public Summary: The bill would have changed the target date to achieve the renewable component of the energy generation portfolio of retail cooperative electric associations serving 100,000 or more customers, and qualifying wholesale utilities, which date was established in SB13-252, from 2020 to 2025.

HB14-1101 : Community Solar Garden Bus Per Prop Tax Exemption

Sponsors/Cosponsors**:** *Representatives* – **TYLER,** BECKER, BUCKNER, FIELDS, FISCHER, GINAL, HAMNER, HULLINGHORST, KRAFT-THARP, LEBSOCK, LEE, MELTON, MITSCH BUSH, PABON, PETTERSEN, PRIMAVERA, ROSENTHAL, SALAZAR, SCHAFER, WILLIAMS, YOUNG; *Senators* – **SCHWARTZ,** AGUILAR, GUZMAN, HEATH, HERPIN, JOHNSTON, JONES, KEFALAS, KERRR, NEWELL, NICHOLSON, TODD, ULIBARRI

Public Summary: Under previous law, business owners of a community solar garden (CSG) were required to pay property tax on the personal property used to generate electricity. Assessors valued this property by determining the generating capacity of the CSG and multiplying by the cost per kilowatt of alternating current electricity as published by the Division of Property Taxation in the Department of Local Affairs. This bill specifies that the share of electricity generated by a CSG and attributed to residential or governmental subscribers or subscribers that are property tax exempt religious or charitable organizations, is exempt from property tax. Thus, business personal property tax for a CSG would be levied only on the share of electricity generating capacity used by businesses. CEO monitored this bill, and was approved to be neutral without testimony.

HB14-1105 : Tax Exempt Gas Sales Between Gov Entities

Sponsors/Cosponsors**:** *Representatives* – **MITSCH BUSH,** FIELDS, GINAL HULLINGHORST, KAGAN, MELTION, SCHAFER, TYLER, VIGIL, YOUNG; *Senators* – **TODD,** NICHOLSON

Public Summary: Existing law exempts governmental entities from paying the state gasoline and special fuel tax to retailers when purchasing fuel that will be used exclusively by the governmental entity in performing its official duties. Tax exempt entities must receive an exemption certificate from the Department of Revenue (DOR). This bill authorized governmental entities that hold a fuel tax exemption certificate to sell to or purchase gasoline or special fuel from another governmental entity that also holds a fuel tax exemption certificate. The bill clarified that a governmental entity that sells gasoline or special fuel to another governmental entity is not required to be licensed under the provisions of current law. In addition, the bill specifies that the purpose of the bill is to facilitate intergovernmental efficiencies, and is not intended to include gasoline or special fuel purchases between governmental entities in excess of five hundred gallons, except for in emergency situations.

HB14-1113 : Electric Renewable Energy Standard Reduction

Sponsors/Cosponsors**:** *Representatives* – **SONNENBERG, CONTI, CORAM, HOLBERT, HUMPHREY, NAVARRO, RANKIN, WRIGHT**; *Senators* –

Public Summary: This bill would have reduced the required percentage for investor-owned utilities (IOUs) from 20 percent to 15 percent for the years 2015 through 2019 and from 30 percent to 15 percent for the years 2020 and thereafter. The bill also would have reduced the required percentage for cooperative electric associations (CEAs) from 20 percent to 15 percent for the years 2020 and thereafter.

HB14-1129 : State Provide Utilities Facility Info To Local Governments

Sponsors/Cosponsors**:** *Representatives* – **LEBSOCK,** WRIGHT, EXUM, FIELDS, SCHAFER; *Senators – HODGE, NICHOLSON*

Public Summary: Under previous law, public utilities and power authorities providing electric or natural gas service submitted applications to local governments that relate to the location, construction, or improvement of major utility facilities. Local governments had 128 days after submission of a preliminary application, if required, or 90 days after submission of a final application, to take action. A local government was required to request any additional information required for the application within 28 days after the submission. This bill allows local governments to request additional information from a state agency, and the state agency must respond within the initial 28 day period if the request is made within a reasonable amount of time. A request for additional information or a state agency's failure to provide the requested information does not extend the deadlines for local governments.

HB14-1138 : Renewable Energy Std Add Hydroelectric To Eligible

Sponsors/Cosponsors**:** *Representatives* – **HUMPHREY, SAINE,** PRIOLA, BUCK, CORAM, JOSHI, LAWRENCE; *Senators* – **TOCHTROP,** GRANTHAM, RIVERA, HERPIN, MARBLE

Public Summary: This bill would have amended the definition of renewable energy resources that can be used to meet the state's renewable energy standard (RES) to include hydroelectricity and pumped hydroelectricity. The bill would have repealed the allowance in current law for new hydroelectricity with a generation capacity of 10 megawatts (MW) or less, and hydroelectricity in existence on January 1, 2005 with a generation capacity of 30 MW or less.

HB14-1150 : Federal Land Coordination

Sponsors/Cosponsors**:** *Representatives* – **RANKIN,** CORAM, DORE, SCOTT, WILSON, WRIGHT; *Senators* – **ROBERTS,** BAUMGARDNER, KING

Public Summary: This bill would have created the Division of Federal Land Coordination in the Department of Local Affairs (DOLA), to provide statewide coordination and management of responses to federal land decisions that impact state or local interests. Such land decisions include federal actions related to agriculture, fire suppression and prevention, mineral resources, recreation, environment, wildlife, and water. There was a general concern that this bill would have added another layer of bureaucracy in having the state respond to federal land decisions.

HB14-1159 : Biogas System Components Sales & Use Tax Exemption

Sponsors/Cosponsors**:** *Representatives* – **YOUNG, DORE,** FISCHER, LEBSOCK, MCLACHLAN, MITSCH BUSH, VIGIL, BECKER, BUCKNER, EXUM, HULLINGHORST, LABUDA, LEE, MELTION, PABON, ROSENTHAL, RYDEN, SCHAFER, SCOTT, SINGER, SONNENBERG, TYLER; *Senators* – **SCHWARTZ, CROWDER,** AGUILAR, GUZMAN, HODGE, KERR, NEWELL, NICHOLSON, STEADMAN

Public Summary: This bill creates a sales and use tax exemption for equipment used to capture biogas to be used as a renewable natural gas or the equipment used to turn biogas into electricity. Biogas is a natural by-product that is released as manure, food waste, and other organic compounds breakdown. The sales tax exemption is available for the next five years, expiring July 1, 2019. Local governments that currently impose sales or use tax on such components may either continue to do so or may exempt them from their sales or use taxes.

HB14-1216 : Safety Markings For Rural Towers Under 200 Feet

Sponsors/Cosponsors**:** *Representatives* – **SONNENBERG,** LABUDA, MORENO, ROSENTHAL; *Senators* – **BROPHY**, GUZMAN, HEATH, HERPIN, JONES, RIVERA, SCHWARTZ, TOCHTROP, TODD

Public Summary: This bill established requirements for safety markings on towers over 50 feet in height in rural or unincorporated areas of the state. Existing towers must comply with this safety marking requirement within one year. Failure to comply with this requirement constitutes a class 2 misdemeanor. The safety marking requirements under the bill do not apply to towers or poles that support electric utility transmission or distribution lines; facilities licensed by the Federal Communications Commission or any structure with the primary purpose of supporting telecommunications equipment; towers within a ski area boundary; wind-powered electrical generators with a rotor blade radius greater than six feet; or street lights erected or maintained by the Colorado Department of Transportation (CDOT). Currently, towers under 200 feet in height are not regulated by the federal aviation standards.

HB14-1222 : Clean Energy Project Private Activity Bonds

Sponsors/Cosponsors**:** *Representatives* – **MCLACHLAN,** BECKER, EXUM, FIELDS, FOOTE, GINAL , HAMNER, HULLINGHORST, KRAFT-THARP, LABUDA, LEBSOCK, LEE, MELTON, MITSCH BUSH, PABON, PETTERSEN,

ROSENTHAL SALAZAR, SCHAFER, SINGER, VIGIL, YOUNG; *Senators* – **SCHWARTZ**, ROBERTS, AGUILAR, GUZMAN, HEATH, JOHNSTON, KEFALAS, KERR, NEWELL, NICHOLSON, ULIBARRI, CARROLL

Public Summary: Under current law, counties may issue private activity bonds on behalf of a property owner or group of property owners who do not own an entire cooperative electric association (CEA) for the purpose of constructing, expanding, or upgrading an eligible clean energy project on the applicant's property. This bill provides counties with additional flexibility in the financing of geothermal clean energy projects, and is likely to increase interest in the use of this financing mechanism. By reducing the minimum threshold for bond issuance, the bill increases the eligibility of smaller projects. Extending the repayment term reduces the annual debt service costs of such projects, thereby expanding access to a wider range of borrowers. For geothermal clean energy projects, this bill:

- Reduces from $1 million to $500,000 the minimum amount of private activity bonds that a county may issue;
- Extends the maximum repayment term for bonds from 10 years to 15 years;
- Allows the bonds to be correlated to the revenue stream of the project so long as bond payments do not exceed 75 percent of project revenue.

HB14-1303 : Legislature Take Public Testimony Remote Locations

Sponsors/Cosponsors**:** *Representatives* – **SCOTT, FERRANDINO,** CONTI, COURT, EXUM, FIELDS, FOOTE, GARCIA, HAMNER, HULLINGHORST, KRAFT-THARP, LABUDA, LAWRENCE, LEE, MITSCH BUSH, PABON, PENISTON, PETTERSEN, PRIMAVERA, PRIOLA, RANKIN, RYDEN, SALAZAR, SONNENBERG, TYLER, WILLIAMS, WRIGHT, YOUNG, BECKER, HOLBERT, MELTON, MURRAY, ROSENTHAL, SINGER; *Senators* – SCHWARTZ, AGUILAR, GUZMAN, HEATH, HODGE, KEFALAS, KERR, KING, NEWELL, NCHOLSON, RIVERA, ROBERTS, STEADMAN, TODD, CARROLL

Public Summary: This bill, allows the Executive Committee of the Legislative Council to consider, recommend, and establish policies allowing legislative committees to take remote testimony from one or more locations in Colorado. If remote testimony is approved, at least one remote site must be located in the western slope area of Colorado. Conferencing technology may be implemented in phases and is not required to provide visual capabilities. The Executive Committee is authorized to enter into agreements with state institutions of higher education to host remote sites and provide facilities, equipment, and staff. By August 1, 2016, Legislative Council Staff is required to prepare a report to the members of the General Assembly providing outcome data concerning the implementation of the bill. That report will include the estimated calculation of efficiency and travel miles saved to those who testified remotely.

HB14-1305 : Renewable Energy EZ Investment Tax Credit Refund

Sponsors/Cosponsors**:** *Representatives* – **MCCANN, SONNENBERG**; *Senators* – **HODGE, BROPHY**

Public Summary: The Enterprise Zone Investment Tax Credit is an income tax credit equal to 3 percent of qualified investments located in an enterprise zone. Taxpayers may claim up to half their annual tax liability plus $5,000 in any one year. If the income tax credit is more than what a taxpayer may claim, the credit can be carried forward. As a result of SB13-286 passed in last year's legislative session, renewable energy companies may carry the credit forward for up to 22 years. This bill would have allowed a renewable energy company with Enterprise Zone Investment Tax Credits (ITC) to annually elect to receive a refund of the credit. The amount of the refund is equal to 85 cents for every one dollar of ITC credit. The refund for any company is capped at $1.25 million per tax year. If the company does elect to receive a refund, they are required to sign a one-time affidavit with the Colorado Economic Development Commission stating the company's intends to make further renewable investments within five years. The taxpayer may elect to receive a refund beginning in tax year 2014.

HB14-1325 : Sales Tax Refund For Clean Tech & Medical Devices

Sponsors/Cosponsors**:** *Representatives* – **FISCHER**; *Senators* – **HEATH**

Public Summary: Current law provides a sales and use tax refund, not to exceed $50,000, to a qualified clean technology or medical device taxpayer for all state sales and use tax paid by such taxpayer on the sale, storage, use, or consumption of tangible personal property to be used in Colorado directly and predominantly in research and development of clean technology or medical devices during a calendar year.

Clean technology is defined as:
(a) Renewable energy generation technologies, including but not limited to solar, wind, biofuel, and geothermal energy generation technologies;
(b) Products and technologies used in the renewable energy development and generation on a commercial scale;
(c) Products and technologies that enhance the efficient storage, distribution, and consumption of energy;
(d) Products and technologies that mitigate human impact on the environment, including but not limited to products and technologies that facilitate the management of green-house gases, water, and waste.

The statute was passed with a trigger specifying that the refund was only available if total state general fund appropriations increased by 6% over such appropriations for the previous fiscal year. The application of the trigger resulted in confusion as to the availability of the refund for the 2009 calendar year. The current law also includes a repeal date effective July 1, 2014, and the repeal makes it unclear whether the refund is available for the 2014 calendar year. The bill attempted to addresses the confusion by specifying that the refund was available for the 2009 calendar year and by making clear that the refund is available for the 2014 calendar year.

HB14-1326 : Tax Incentives For Alternative Fuel Trucks

Sponsors/Cosponsors**:** *Representatives* – **PRIMAVERA, SCOTT**, EXUM, FISCHER, HAMNER, HULLINGHORST, LEE, MELTON, MITSCH BUSH, PETTERSEN, ROSENTHAL, SALAZAR, SCHAFER, TYLER, YOUNG; *Senators* – **HODGE,** AGUILAR, CROWDER, HEATH, JOHNSTON, JONES, KEFALAS, KERR, NEWELL, NICHOLSON, RIVERA, SCHWARTZ, TOCHTROP, TODD, ULIBARRI, ZENZINGER

Public Summary: This bill provides tax incentives for trucks running on alternative fuels, addressing a key sector of the transportation industry. While heavy duty trucks like tractor trailers make up only 4% of the total vehicles on US roads, they use 25% of our fuel. Through this bill, heavy duty trucks will qualify for up to $20,000 in tax credits, medium duty trucks will qualify for up to $15,000, and light duty trucks will qualify for up to $7,500. The alternative fuels supported by this bill – natural gas, electricity, propane, and hydrogen – are produced largely in Colorado, they have environmental benefits, and they offer significant fuel cost savings. The new incentives go into effect on July 1, 2014. CEO worked with bipartisan bill sponsors to ensure that these incentives were paid for in advance. In fact, the bill saved taxpayers money by reforming an outdated sales tax exemption. HB 1326 reformed a sales tax exemption for medium and heavy-duty vehicles that meet certain efficiency standards established by the federal government. The standards in Colorado statute were out of date, so virtually all vehicles sold were meeting the standard. The bill reformed the sales tax exemption, eliminating it for most medium-duty vehicles and updating it to a higher standard for heavy-duty vehicles. That reform left enough money in state coffers to provide incentives for cleaner alternative fuels

HB14-1336 : 2014-15 Long Appropriations Bill

Sponsors/Cosponsors**:** *Representatives* – **DURAN**; *Senators* – **STEADMAN**

Public Summary: A state budget, called the "LONG Bill" (Legislation on Operations and Normal Governance) is prepared each year by the Joint Budget Committee of the General Assembly. The House and the Senate alternate the job of introducing the long bill and making a first committee review of it. Colorado's state legislature is required to obtain voter approval in order to incur significant debt, to raise taxes, or to increase state constitutional spending limitations.

HB14-1352 : Update Waste Tire Management System

Sponsors/Cosponsors**:** *Representatives* – **TYLER, CORAM,** ; *Senators* – **TODD, KING,**

Public Summary: This bill repealed and reenacted the state's waste tire laws into a new part of the solid waste statutes and makes changes to the Waste Tire Program. The bill modifies the distribution of the $1.50 waste tire fee, consolidates several cash funds and creates three new cash funds, and specifies how the moneys in each cash fund are to be used. Additionally, the bill reduces the waste tire fee to $0.55 per tire beginning January 1, 2018, and repeals the End Users and Processors Rebate Program at that time. The Colorado Department of Public Health and Environment (CDPHE) is required to administer and collect the waste tire fee, among other duties in lieu of the Department of Revenue (DOR). New regulations are established for waste tire haulers, generators, processors, end users, collection facilities, mobile processors, used tire sellers, and waste tire monofills. Finally, the Waste Tire Advisory Committee is repealed.

HB14-1356 : Strengthen Penalty Authority Oil & Gas Commission

Sponsors/Cosponsors**:** *Representatives* – **FOOTE**; *Senators* – **JONES,**

Public Summary: This bill increases the penalties for violations of the Oil and Gas Conservation Act. The maximum daily fine is increased from $1,000 to $15,000 for each act of violation per day that the violation continues. The $10,000 maximum cap on violations that do not result in a significant adverse impact is repealed. The Colorado Oil and Gas Conservation Commission (COGCC) in the Department of Natural Resources (DNR) is required to:

- Promulgate rules to establish the basis for determining the duration of a violation for purposes of imposing the applicable penalty, using presumptions specified in the bill;
- Publish a quarterly report on its website that lists specific information on penalties assessed; and
- Present penalty information during the annual DNR hearings before the General Assembly committees of reference.

HB14-1397 : Consumer Counsel Participation In PUC Rate Cases

Sponsors/Cosponsors**:** *Representatives* – **GARCIA,** DURAN, FOOTE, GINAL, LEBSOCK, PABON, SALAZAR, SINGER, TYLER; *Senators* – **ULIBARRI**

Public Summary: This bill attempted to amend statutes governing the Office of Consumer Counsel (OCC) in the Department of Regulatory Agencies (DORA). Under current law; the OCC represents the public interest in proceedings concerning public utilities before the Public Utilities Commission (PUC), including formal appearances in adjudications and rate cases, as well as appeals of such matters. The bill defined public interest for the purposes of OCC representation to generally include the health, safety, economic conditions, and social stability of public utilities consumers. In rate cases and resource acquisition plans submitted to the PUC, the bill specifically includes consideration of quality of service, the potential for undue economic or social harm, and the utility's policies and history regarding certain consumers, among other considerations. Currently the OCC is prohibited from intervening in complaints between individuals and a utility. The bill would have authorized the OCC to participate in an individual complaint if it's successful resolution would vindicate the interests of a class of consumers. The bill also attempted to specify that the OCC may intervene in rulemakings that involve a utility's costs, including costs passed through to consumers. When considering an appearance before the PUC, the OCC would have considered how its appearance or failure to appear may perpetuate gross disparities in rates that are not attributable to characteristics of different service territories. The bill also would have required the OCC to conduct a study during the 2014 interim, to determine if certain rate disparities between utility customers in different areas of the state have adequate justification. The OCC would have then reported its findings to the General Assembly by January 15, 2015.

SB14-011 : Colorado Energy Research Authority

Sponsors/Cosponsors**:** *Senators* –**HEATH,** NEWELL, NICHOLSON, SCHWARTZ, STEADMAN, TODD**,** *Representatives* – **HULLINGHORST,** BECKER, BUCKNER, EXUM, FIELDS, FISCHER, GEROU, GINAL, LEE, MELTON, MITSCH BUSH, PABON, PETTERSEN, ROSENTHAL, RYDEN, SALAZAR, SINGER, TYLER, WILLIAMS, YOUNG

Public Summary: This bill changed the name of the Colorado Renewable Research Authority to the Colorado Energy Research Authority (CERA). The bill creates a new cash fund to support CERA, the continuously appropriated Energy Research Cash Fund (ERCF). On July 1, 2014, and on July 1, 2015, the bill requires a transfer to the ERCF of $1 million each of those years. This amount in its entirety is available as matching funds for the energy-related research of the collaboratory, subject to reduction for OEDIT administration and other CERA activities. Based on a $1 million annual transfer, up to $50,000 each year is available for other CERA initiatives, and up to $50,000 each year is available for OEDIT administrative costs. The bill defines the Colorado Energy Research Collaboratory (the collaboratory) as a consortium of three state institutions of higher education the University of Colorado at Boulder, Colorado State University, the Colorado School of Mines, and the National Renewable Energy Laboratory. CERA is required to allocate certain state matching funds for grants that support the collaboratory's energy research activities. The board of CERA is three members appointed by the governor.

SB14-028 : Expand Electric Vehicle Charging Station Grants

Sponsors/Cosponsors**:** *Senators* – **JONES,** AGUILAR, GUZMAN, HEATH, KEFALAS, NEWELL, SCHWARTZ, STEADMAN, ULIBARRI, ZENZINGER; *Representatives* – **DURAN, TYLER,** BECKER, COURT, FIELDS, FISCHER, FOOTE, GINAL HAMNER, LEBSOCK, LEE, MAY MCCANN, MELTON, MITSCH BUSH, MORENO, PABON, PETTERSEN, PRIMAVERA, ROSENTHAL, RYDEN, SALAZAR, SCHAFER, SINGER, WILLIAMS

Public Summary: House Bill 13-1110 required owners of electric plug-in vehicles to pay a $50 annual license decal fee upon registration, $20 of which is credited to the grant fund. The Department of Revenue (DOR) began collecting the fee from vehicle owners in January 2014. This re bill expanded the list of eligible entities that may receive grants from the Electric Vehicle Grant Fund (grant fund) to include private nonprofit and for-profit corporations, state agencies, public universities, and public transit agencies. The bill requires the Colorado Energy Office (CEO), as administrator of the grant fund, to prioritize grant applications based on the extent to which proposed charging stations serve existing electric vehicles, or encourage the acquisition of additional electric vehicles. The CEO must also consider the extent to which, without the grant, one or more charging stations might not be able to be installed. The bill authorizes the CEO to grant the full cost of an installation in a location that is especially advantageous for supporting the electric vehicle market, but where revenue may not be available to defray the costs of installation.

SB14-035 : Renewable Energy Std Repeal SB 13-252

Sponsors/Cosponsors**:** *Senators* – **HARVEY**; *Representatives* – **SAINE, HUMPHREY**

Public Summary: This bill attempted to repeal almost all of the provisions enacted by Senate Bill 13-252, which, among other things, increased the state's renewable energy standard (RES) in 2020 for cooperative electric associations (CEAs).

SB14-082 : Renewable Energy Std Adjust REAs Distributed Generation

Sponsors/Cosponsors**:** *Senators* – **GRANTHAM,** HARVEY, HILL, RIVERA, CADMAN, CROWDER, KING, LAMBERT, LUNDBERG, ROBERTS, SCHEFFEL, TOCHTROP; *Representatives* –

Public Summary: Current law contains distributed generation (DG) requirements for cooperative electric associations (CEAs) as part of Colorado's renewable energy standard (RES). Specifically, CEAs serving more than 10,000 meters must supply one percent of their total retail sales through distributed generation (typically rooftop solar), while CEAs serving less than 10,000 meters are required to supply three-fourths of one percent in this fashion. This bill tried to eliminate the current requirements and establishes a 0.5 percent distributed generation standard for CEAs in aggregate.

SB14-093 : Pipeline Right-of-Way

Sponsors/Cosponsors**:** *Senators* – **JAHN,** HODGE, TOCHTROP, RENFROE; *Representatives* – **MAY, SONNENBERG,** PRIOLA, WILLIAMS,

Public Summary: Pipeline companies conveying petroleum products have historically negotiated for rights-of-way, and prepared condemnation petitions where those negotiations failed to obtain critical rights-of-way, on the basis of eminent domain powers vested in "pipeline companies" by Article 5, Title 38, C.R.S. Industry practices in Colorado were also historically informed by various other cases and statutory provisions granting the power of eminent domain to pipeline companies, such as Sections 38-1-101.5 and 38-2 101, C.R.S. This bill attempted to override the May 2012 Colorado Supreme Court decision in the case of Larson v. Sinclair Transportation Company, which held that only pipeline companies in the business of transmitting electricity or natural gas may use the power of eminent domain in Article 5, Title 38, C.R.S., specifically Section 38-5-105, C.R.S.

SB14-171 : New Energy District Finance Water Conservation

Sponsors/Cosponsors**:** *Senators* – **SCHWARTZ, JONES,** GUZMAN, TODD; *Representatives* – **TYLER,** BECKER, FISCHER, GINAL, HAMNER, HULLINGHORST, KRAFT-THARP, LEE, MITSCH BUSH, PETTERSEN, RYDEN, SALAZAR, WILLIAMS, YOUNG

Public Summary: Under previous law, the Colorado New Energy Improvement District may arrange financing, secured by a lien on affected real estate, for the installation of energy efficiency improvements in residences and commercial buildings. This bill added water conservation fixtures to the definition of an energy efficiency improvement.

SB14-186 : Efficient School & Community Performance Contract

Sponsors/Cosponsors**:** *Senators* – **SCHWARTZ, KERR,** AGUILAR, HEATH, JONES, NICHOLSON, TODD**;** *Representatives* – **TYLER,** HAMNER, EXUM, LEE, MCLACHLAN, MELTON, MITSCH BUSH, ROSENTHAL, SCHAFER

Public Summary: This bills goal was to facilitate the financing and development of energy efficiency projects in rural Colorado. The bill defines efficiency projects as projects of a community entity (a school district, special district, county, or municipality in a small or rural community) that results in the more efficient use of energy or resources. Such projects could include:

- Installing equipment and related infrastructure that will help defray energy costs;
- Improving the energy efficiency of a building;
- Reducing water usage or consumption;
- Re-engineering or improving water or wastewater treatment facilities; or
- Improving the energy usage of transportation infrastructure.

The bill authorized the Colorado Energy Office (CEO) to collaborate with pre-qualified energy service companies (ESCOs) to identify a portfolio of projects that will attract private sector investment. The bill specifies that if a portfolio of projects is financed, financing terms must include a fee not to exceed one percent of the cost of issuance. The fee is payable to the Department of Local Affairs (DOLA) and is to be credited to the newly created Efficient Schools and Communities Performance Contracting Fund. Money in the fund is subject to annual appropriation by the General Assembly to the DOLA, and is exempted from the existing statutory limitations on uncommitted reserves in cash funds. Once sufficient fee revenue has been accumulated in the fund, the DOLA in collaboration with the CEO, may award grants to reimburse either: 1) a portion of the costs of the technical energy audit completed by the community entity whose project was not financed, or 2) a portion of the energy service company's costs if the project was not financed. All grants must be prioritized by need, and may not exceed the available fee revenue. The DOLA will administer the grant program, and may spend up to five percent of fee revenue to cover administrative costs schools and communities performance contracting fund.

SB14-198 : Mineral Extraction Study Group

Sponsors/Cosponsors**:** *Senators* – **HODGE, SCHWARTZ**; *Representatives* –

Public Summary: The bill would have created the mineral extraction study group to research and study matters relating to the imposition and allocation of the state severance tax and the distribution of federal mineral leasing revenues. The study group would have consisted of members of the General Assembly and other stakeholders. The study group is charged with reviewing findings and making legislative recommendations for each of the next two years to the Legislative Council.

SB14-200 : Alternative Fuel Vehicles & High Occupancy Lanes

Sponsors/Cosponsors**:** *Senators* – **JONES, KING**; *Representatives* – **MORENO, RANKIN**

Public Summary: Currently, the initial authorized limit of 2,000 HOV decals for low-emission vehicles is fully subscribed with an active waiting list. According to the CDOT, an average of 7 to 10 percent of the 2,000 authorized vehicles use I-25 HOT lanes and U.S.36 HOV/HOT lanes. The bill attempted to expand the number of low-emission vehicles (LEVs) and alternative fuel vehicles (AFVs) that are authorized to use HOV lanes from 2,000 to 6,000. CDOT would have discretion to increase the number of vehicles authorized for new HOV lanes as they open. It would have expanded the eligible vehicles for HOV decals for AFVs to include electric, natural gas propane, and hydrogen vehicles. However, hybrids with 40mpg or better fuel mileage would still qualify.

SB14-202 : Funding For Energy Efficiency In Schools

Sponsors/Cosponsors**:** *Senators* – **KERR,** HEATH, JOHNSTON, SCHWARTZ, TODD, ULIBARRI; *Representatives* – **TYLER,** BECKER, FIELDS, FOOTE, HAMNER, HULLINGHORST, KRAFT-THARP, LEE, MELTON, MITSCH BUSH, ROSENTHAL, SALAZAR, SCHAFER

Public Summary: House Bill 09-1312 created the Renewable Energy and Energy Efficiency for Schools (REEES) loan program administered by the Colorado Energy Office (CEO). The program was designed to provide school districts with loans for renewable energy projects and efficient busses if they are unable to secure private sector financing. To apply for a loan, a school district must receive approval from its board of education and have a team dedicated to the project. Applications are submitted to the CEO and must meet specific standards for the project facility. The CEO then recommends awards and loan amounts to the State Treasurer. The State Treasurer approves loans, provides funds from the Public School Fund, and specifies loan terms. Prior to accepting the loan, school districts must determine available financing terms from at least two banks.

Changes in Statute

- The amended bill expands the REEES loan program to allow loans for energy efficiency projects and defines the parameters of such projects.
  - Still includes improving efficiency of motor vehicle fleets.
- Allows school districts to use the loans to obtain renewable energy through third-party ownership of energy generation facilities or participation in community solar gardens.
- Adjusts project certification requirements to include the federal "energy star" certification or the state standards for energy-efficient school buildings.
- Makes the interest rate of loans to equal, rather than exceed the average book yield earned by the Public School Fund in the previous quarter.