



[HB15-1012](#)

Sales & Use Tax Exemption For Dyed Diesel

Passed

Sponsors: BECKER J. / SONNENBERG

Summary: Under current law, dyed diesel fuel (dyed diesel) is exempt from the state sales and use tax if it is: 1) Subject to the state special fuel excise tax; 2) Used to operate a farm vehicle on a farm or ranch; or 3) Used for an industrial purpose. So, dyed diesel that is exempt from the state special fuel excise because it is not used to power a motor vehicle on the state highways, but not used to operate a farm vehicle or used for an industrial purpose, is subject to the state sales and use tax. Section 1 of the bill exempts these remaining sales and uses of dyed diesel from the state sales and use tax. This exemption automatically applies to statutory municipalities and counties.

[HB15-1118](#)

Hydroelectric Power

Postponed Indefinitely

Sponsors: BROWN / (NONE)

Summary: The bill would have amended the definition of "renewable energy resources" that can be used to meet the state's renewable energy standard to include any hydroelectricity and pumped hydroelectricity.

[HB15-1121](#)

Wind Energy Devel Agreement Recording & Expiration

Passed

Sponsors: BECKER J. / SONNENBERG

Summary: Current law declares that the right to wind energy is a property right appurtenant to the surface estate and governs the creation of agreements between an owner of surface rights and a wind energy developer. The bill amends and adds relevant definitions, including the definition of a wind energy developer of record, which is the wind energy developer named in an agreement that is recorded in county land records. The bill also specifies that:

- Like other agreements affecting the title to real property, until a wind energy agreement is recorded, it is not binding on anyone other than the parties and those with notice of the agreement.
- Rights under a recorded wind energy agreement executed on or after July 1, 2012, expire after 15 years unless the agreement provides otherwise or unless wind-powered energy generation has occurred on the subject property.
- Once a wind energy developer has determined to begin construction of generating facilities under a wind energy agreement, the developer may record an affidavit stating when construction will begin. If no affidavit is recorded, the developer's rights will expire after 15 years unless the agreement provides otherwise.
- A wind energy agreement, as well as any release due to the termination or expiration of rights under the agreement, must be recorded in both the grantor and grantee indices and under the names of all parties.
- If a recorded wind energy agreement expires or is terminated, the wind energy developer of record is required to record a release. If the developer fails to do so within a specified period, the developer and any transferee of the developer's rights under the agreement are jointly and severally liable for any damages to the surface owner that result from the failure to record the release.



[HB15-1132](#) **Residential Energy Efficiency Tax Credit** **Postponed Indefinitely**

Sponsors: CORAM & BECKER K. / HODGE & SCOTT

Summary: The bill would have created a residential energy reduction income tax credit for the income tax years commencing on or after January 1, 2016, but prior to January 1, 2020, for any resident individual who makes qualified improvements to their home that result in improved energy efficiency, measured in millions of British thermal units (MMBTU). In order to claim the credit, a resident individual must seek a credit certificate from the Colorado energy office (office) and must also obtain a pre-improvement residential energy efficiency assessment from a certified home energy rater. After the improvements are made, a post-improvement inspection must be conducted that establishes the annualized net residential energy reduction as compared to the pre-improvement residential energy efficiency assessment. For a qualified residence, the tax credit is equal to:

- \$1,000 for an annualized net residential energy reduction of 30 or more but less than 45 MMBTU for each qualified residence;
- \$1,500 for an annualized net residential energy reduction of 45 or more but less than 60 MMBTU for each qualified residence; or
- \$2,000 for an annualized net residential energy reduction of 60 or more MMBTU for each qualified residence.

The bill also specified that the office has the authority to reduce the amount of the tax credit by an amount less than or equal to any available residential energy efficiency utility rebates or other such incentives available through the office, and requires the office to post guidelines on its web site to explain how this reduction will occur. The bill also allowed the office to reduce a tax credit, after an accounting of the cost of the qualified improvements, if the costs are not sufficient to justify a full tax credit, notwithstanding the MMBTU residential energy reduction for the qualified residence. The bill required the office to post guidelines on its web site to explain how a tax credit could be reduced dependent on the cost of the qualified improvements. The tax credit would have been nonrefundable, but it allowed to be carried forward as an offset to future tax liability for a period of 5 years.

[HB15-1134](#) **New Diesel Motor Vehicles Emissions Testing** **Passed**

Sponsors: CORAM / COOKE

Summary: Currently, heavy-duty diesel vehicles are exempt from testing until their fourth model year. The bill extends this exemption to the sixth model year if the gross vehicle weight is at least 26,000 pounds and is a model year of 2014 or newer.

[HB15-1180](#) **Sales & Use Tax Refund Med & Clean Technology** **Passed**

Sponsors: KRAFT-THARP / HEATH

Summary: The bill recreates and reenacts, with amendments, a refund for state sales and use tax paid by a qualified medical technology or clean technology taxpayer (qualified taxpayer). A qualified taxpayer is a business entity that:

- Employs 35 or fewer full-time employees in Colorado;
- Is headquartered in Colorado or has more than 50% of its employees in Colorado;



and

- Conducts research and development of medical technology or clean technology.

From 2015 through 2017, a qualified taxpayer may claim a refund for state sales and use tax paid on tangible personal property used in Colorado directly and predominately in research and development of medical technology or clean technology. For this purpose, the definition for "clean technology" is expanded. The maximum refund a qualified taxpayer may receive for sales and use tax paid in a calendar year is \$50,000. To receive a refund, a qualified taxpayer must submit an application to the department of revenue no later than April 1 of the following year and provide certain information to the department.

[HB15-1219](#)

EZ Investment Tax Credit For Renewable Energy

Passed

Sponsors:

MCCANN / HODGE

Summary:

Current law allows for an investment tax credit if a taxpayer makes a qualified investment in an enterprise zone. The tax credit can be carried forward by a taxpayer and it is not refundable. The bill allows a taxpayer who places a new renewable energy investment in service on or after January 1, 2015, that results in an investment tax credit to elect to receive a refund of 80% of the amount of the credit and forego the remaining 20% as a cost of the election. If 80% of the credit is \$750,000 or less, the taxpayer receives the full refund in the first year. If 80% of the credit is more than \$750,000, the taxpayer annually receives a refund not to exceed \$750,000 per income tax year until 80% of the credit is completely refunded to the taxpayer. The bill also requires the Colorado economic development commission to annually post on its web site, or on the web site of the Colorado office of economic development, the level of renewable energy investment on and after the effective date of the bill. Finally, the bill changes the definition of renewable energy investment. In current law it refers specifically to solar thermal electric, photovoltaic, landfill gas, wind, biomass, hydroelectric, geothermal electric, recycled energy, anaerobic digestion, or renewable fuel cell projects. The bill changes the definition to projects that generate electricity from eligible energy resources that an electric utility may use to comply with Colorado's renewable energy standard.

[HB15-1228](#)

Special Fuel Tax On Liquefied Petroleum Gas

Passed

Sponsors:

MITSCHE BUSH / SCOTT

Summary:

The bill makes the following changes related to how the special fuel excise tax on liquefied petroleum gas (LPG) is imposed, collected, and administered in this state:

- Adds a private commercial fleet operator that uses LPG to the definition of "distributor"; (Section 2)
- Changes the definition of "gallons" for LPG from a gross gallon to a net gallon, which accounts for temperature differences that affect LPG measurements; (Section 2)
- Limits the imposition of the tax so that in most instances it is only levied when LPG is placed in a motor vehicle's fuel tank, which is currently defined as a "use", instead of when the fuel is acquired, sold, offered for sale, or used for any purpose whatsoever; (Section 3)
- Requires a distributor that uses LPG from a cargo tank to propel a cargo tank motor vehicle to pay the tax on the gallons of LPG used to propel the motor vehicle, based on



- the vehicle's miles traveled; (Section 3)
- Requires a distributor that places the LPG in a fuel tank to pay the tax or, if none, for a non-distributor user to pay it; (Section 3)
- Eliminates the 2% allowance for LPG lost in transit or in handling; (Section 3)
- Prohibits the department of revenue from collecting any penalties or interest related to the LPG excise tax that is due from January 1, 2014, until January 1, 2016; (Section 5)
- Eliminates the minimum \$25,000 bond amount for LPG distributors; (Section 6)
- Requires the department of revenue to update its fuel tracking system to accommodate the LPG excise tax changes; and (Section 8)
- Eliminates the requirement that a LPG distributor preprint the serially numbered invoices for each sale or transfer of LPG. (Section 9)

HB15-1236

Tax Credit For Improving Energy Efficiency

Postponed Indefinitely

Sponsors:

WINTER / MARTINEZ-HUMENIK & DONOVAN

Summary:

The bill would have created income tax credits for a limited number of years for:

- An owner of an existing multi-family home if the owner makes energy efficiency improvements to the multi-family home that result in at least a 20% reduction in energy consumption;
- An owner of a new multi-family home or multi-family home undergoing major renovation, or an owner of a new commercial building or commercial building undergoing major renovation, if the building achieves at least a specified percentage of energy savings relative to energy consumption and either achieves LEED or green globes certification for the construction or renovation; and
- An owner, or multiple owners prorated according to ownership shares, of a new affordable housing project or affordable housing project undergoing major renovation, if the building achieves at least a specified percentage of energy savings relative to energy consumption and meets enterprise green community energy efficiency standards for the construction or renovation. The bill requires the owner to provide certain documentation to the Colorado energy office and requires the Colorado energy office to issue credit certificates to the owner for the tax credit.

HB15-1250

Explore Performance-based Utility Regulation

Postponed Indefinitely

Sponsors:

TYLER / JONES

Summary:

The bill would have declared that certain factors other than short-term economic costs deserve to be considered in establishing the rates and policies of investor-owned public utilities, for example, long-term economic sustainability; efficiency of generation, delivery, and consumption; the resiliency and diversity of energy generation resources; environmental factors including water consumption and carbon emissions; and customer satisfaction. Accordingly, the bill would have directed the Colorado public utilities commission to open an investigatory proceeding to explore alternative utility revenue models and report its findings to the general assembly by October 1, 2016.



[HB15-1284](#)

Expand Scope Shared Photovoltaic Facilities

Passed

Sponsors:

WINTER / GRANTHAM

Summary:

Under Colorado's renewable energy standard, qualifying retail utilities are required to obtain a portion of their energy from renewable sources, including customer-sited facilities such as rooftop solar panels. Recent legislation allowed customers who wished to install such facilities, but whose property was not well suited to that purpose, to buy into a centrally located facility with other customers (subscribers). This arrangement is known as a community solar garden or CSG. The existing CSG statute requires a subscriber to live in the same county as the CSG unless the subscriber lives in a county with a population of less than 20,000, in which case the CSG may be in an adjacent county that also has a population of less than 20,000. The bill deletes these population requirements

[HB15-1319](#)

PUC Membership Geographic Representation

Postponed Indefinitely

Sponsors:

ESGAR / GARCIA

Summary:

The bill would have increased the membership of the public utilities commission from 3 to 5, with 2 of the commissioners representing the state at large and 3 representing one district each. The districts were defined to include named counties, consisting roughly of the western slope, the northeastern quadrant of the state, and the southeastern quadrant of the state.

[HB15-1330](#)

Social Cost Of Carbon In Certain Fiscal Notes

Postponed Indefinitely

Sponsors:

FOOTE / (NONE)

Summary:

The bill would have required legislative council staff (staff) to include the social cost of carbon in the fiscal note for an electricity generation measure, which is a bill or concurrent resolution that is expected to cause a significant increase or decrease in the generation of electricity from a renewable or nonrenewable source by or on behalf of a qualifying retail utility. The social cost of carbon consists of:

- An estimate of the increase or decrease in carbon emissions that results from the measure; and
- A monetization of the change in carbon emissions, which may be expressed with a range. For measures that require the social cost of carbon analysis, staff has 30 days from the measure's introduction to prepare the fiscal note, and during this time any legislative deadlines are tolled. If a reengrossed version of the measure has a significant change in the social cost of carbon, staff is required to update its estimate if possible. Staff is not required to include the social cost of carbon in the fiscal note for an electricity-generation measure that is introduced after the 88th day of a regular legislative session or during a special session, but it may prepare one if possible. State departments, agencies, and institutions are required to provide requested information to staff.



[HB15-1332](#) **Inc Tax Credit For Distributed Energy Resources **Postponed Indefinitely****

Sponsors: PABON / CROWDER

Summary: For income tax years commencing on or after January 1, 2016, but prior to January 1, 2019, the bill would have allowed to any qualified taxpayer a one-time refundable income tax credit against the taxes due in an amount equal to the lesser of 30% of the taxpayer's total cost or \$50,000 for purchasing and installing the equipment necessary to generate electricity using hydroelectricity or wind resources. For purposes of this income tax credit, a qualified taxpayer is a resident individual or a partnership, S corporation, or other similar pass-through entity that:

- Is an end-use electricity customer of a cooperative electric association or a municipal electric utility; and
- Generates electricity on the customer's side of the meter using qualified equipment. The bill requires the Colorado energy office to issue credit certificates up to an aggregate capped amount to taxpayers who have met all the requirements of the tax credit.

[HB15-1363](#) **Infrastructure Resistance To EMP & Solar Flare **Postponed Indefinitely****

Sponsors: GINAL / HILL

Summary: The bill would have required the Colorado public utilities commission to examine and make recommendations for mitigation of the vulnerability of existing electric generation, transmission, and distribution facilities and other vital infrastructure to electromagnetic pulse (EMP) and geomagnetic storms. The bill directed the commission to take into account the progress of similar efforts at the federal and regional level and to estimate the costs and effects, both statewide and regionally, of the adoption of any potential mitigation measures.

[HB15-1364](#) **Limited Scope Inspections Hydroelectric Projects **Passed****

Sponsors: CORAM & MITSCH BUSH / SONNENBERG & DONOVAN

Summary: In 2014, the general assembly passed legislation to amend the inspection standards applied to small hydroelectric generation (small hydro) equipment to align with the minimum standards set forth in the 2011 "National Electrical Code" for small wind electrical production (small wind code). The small wind code provides specific limited installation and maintenance requirements for small wind electrical production; however, application of the small wind code does not provide for limited inspections when adapted to hydroelectric energy facilities that are connected to a utility's distribution lines. The bill clarifies that limited inspections apply to small hydro:

- Regardless of whether the facilities are connected to utility or other distribution lines; and
- For both inverter-based hydroelectric energy facilities and induction-based hydroelectric energy facilities generating 100 kilowatts or less.



[HB15-1372](#) **Raise The Public Utility Fee Cap **Passed****

Sponsors: TYLER / HEATH

Summary: In current law, the department of revenue (department) annually sets the fees paid by each public utility to defray the administrative expenses of the public utilities commission and the office of consumer counsel. The department sets each public utility's fee as a percentage of the public utility's gross intrastate utility operating revenues for the preceding calendar year; however, the fee cannot exceed one-fifth of one percent (0.2 percent) of the public utility's gross intrastate utility operating revenues for the preceding calendar year. The bill increases the cap to 0.25 percent.

[HB15-1377](#) **Shared Renewable Generation Facilities For REAs **Passed****

Sponsors: MORENO & BECKER J. / GRANTHAM & DONOVAN

Summary: Under existing law governing the creation and operation of community solar gardens, shared renewable energy generation facilities are expressly limited to solar technologies. The bill adopts a concept similar to that of community solar gardens, but allows any other type of retail distributed generation, including small wind, small hydroelectric, geothermal, and biomass, to be used. The new provisions are added to the law governing cooperative electric associations (co-ops), allowing co-ops to use the production from these shared facilities to meet their retail distributed generation requirements under Colorado's renewable energy standard. Subscribers of the shared facilities must be members of the co-op in whose service territory the facility is located, and the renewable energy credits must be allocated to a physical address within that service territory.

[HB15-1381](#) **Office Of Consumer Counsel Continuation **Postponed Indefinitely****

Sponsors: ESGAR / GARCIA

Summary: The bill would have continued the office of consumer counsel for 11 years to 2026 and continues the utility consumers' board indefinitely.

[SB15-009](#) **Public Bldg. Woody Biomass Energy Grants **Postponed Indefinitely****

Sponsors: JONES / HAMNER

Summary: Wildfire Matters Review Committee. The bill promoted the use of woody biomass as a fuel source for public buildings by creating the woody biomass grant program. The program would have been funded by an annual \$1 million transfer from the general fund for 5 fiscal years. The executive director of the department of natural resources would award grants to a public entity that will use woody biomass as a fuel source for a public building's biomass energy system when either the use of the grant allows the public building to be cost-effective when compared with other fuels or the executive director reasonably believes that making the grant provides other substantial benefits as specified in rules. The rules must include:

- A preference for making grants to projects that use a woody biomass energy system for 2 or more public buildings that are located near one another; and
- Criteria to evaluate grant applications and prioritize the award of grants, including at



least an analysis of whether the public building is or will be located within a reasonable distance of a substantial forested area of the state as determined by the state forester.

[SB15-044](#) **Electric Renewable Energy Standard Reduction** **Postponed Indefinitely**

Sponsors: SCOTT / THURLOW

Summary: Under current law, the public utilities commission is required to establish electric resource standards. These standards must set the minimum percentage of electricity that retail electric service providers in Colorado must generate or cause to be generated from recycled energy and renewable energy resources. The bill would have reduced the minimum percentage of renewable energy required of investor-owned utilities from 20% to 15% for the years 2015 through 2019 and from 30% to 15% for the years 2020 and thereafter. The bill also would have reduced the minimum amounts for cooperative electric associations from 20% to 15% for the years 2020 and thereafter.

[SB15-046](#) **Renewable Energy Std Adjust REAs Distributed Gen** **Passed**

Sponsors: GRANTHAM / MORENO

Summary: 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 renewable energy standard requires a minimum percentage of each utility's renewable portfolio to consist of retail distributed generation.

The bill allows cooperative electric associations to:

- Subtract industrial retail sales from total retail sales in calculating their minimum retail distributed generation requirements; and
- Use purchases from community solar gardens to meet the retail distributed generation component of the renewable energy standard.

[SB15-063](#) **Alternative Energy For Schools Grant Program** **Postponed Indefinitely**

Sponsors: DONOVAN / (NONE)

Summary: The bill would have taken the existing wind for schools grant program enacted in 2007 and broadened the program to include other types of electricity generated from eligible energy resources. The 2007 program allowed for grants not to exceed \$5,000 to be provided to public schools and community colleges for wind generation projects, was funded by federal "American Recovery and Reinvestment Act" money, required the schools to work with the national renewable energy laboratory to establish the projects, and was overseen by the Colorado energy office. This expanded program would have allowed for grants not to exceed \$15,000 and continues to be overseen by the Colorado energy office. Because the national renewable energy laboratory no longer accepts applications, the bill also removes the



requirement for a school to partner with the national renewable energy laboratory.

[SB15-092](#) **Multi-agency Rev of State Carbon Emission Plan** **Postponed Indefinitely**

Sponsors: COOKE / (NONE)

Summary: The bill would have required that, before the Colorado department of public health and environment (department) adopts a state plan for the reduction of carbon emissions by Colorado electric utilities in accordance with pending federal regulations, the proposed plan be:

- Reviewed by the Colorado public utilities commission (PUC) in an evidentiary hearing to determine, among other things, its likely impact on the rates paid for electricity by consumers;
- Limited in its impact on rates to a 2% or less average annual increase;
- Approved by the PUC in an order that is accompanied by a report, jointly signed by the PUC and the department, summarizing the effects of the plan on rates, reliability, and Colorado's economy;
- Adopted by both houses of the general assembly in a resolution approved by a two-thirds affirmative vote; and
- Subject to annual review by utilities with regard to its effects on reliability.

[SB15-120](#) **Electric Grid Modernization Plans** **Postponed Indefinitely**

Sponsors: JONES / WINTER

Summary: The bill would have required all providers of retail electric service in Colorado, including municipal utilities and cooperative electric associations, to develop a grid modernization plan outlining how the provider, over a 10-year period, proposes to make measurable progress toward the following grid modernization objectives:

- Optimizing demand-side management;
- Optimizing supply-side management;
- Achieving advanced metering functionality within 5 years;
- Increasing electric grid reliability by improving integration capabilities for distributed resources; and
- Achieving advanced metering infrastructure functionality within 5 years.

[SB15-134](#) **Energy Cost-savings Contracts For Vehicle Fleets** **Postponed Indefinitely**

Sponsors: JONES / TYLER

Summary: Current law allows a state agency or political subdivision to enter into a vehicle fleet operational and fuel cost-savings contract if the amount of actual savings for each year during the contract period exceeds the amount of annual contract payments, including maintenance costs. The bill would have clarified that moneys included in annual contract payments for a cost-savings contract do not include moneys that would otherwise be allocated for vehicle purchases and vehicle operation and maintenance costs for the applicable fiscal year. The bill would have also clarified that the expected total contract payments required under the cost-savings contract are expected to be equal to or less than total vehicle acquisition costs and operations, maintenance, and fuel costs over the lifetime



of the contract, rather than in each year of the contract, if the agency did not implement the cost-saving measures.

SB15-252

Energy Loans For School Energy Audits

Postponed Indefinitely

Sponsors: JOHNSTON / (NONE)

Summary: The renewable energy and energy efficiency for schools loan program provides loans to school districts to help them pay for technical assistance, equipment, or installation costs associated with renewable energy and energy efficiency projects. The bill would have authorized a school district that receives a loan to also use the money received to conduct an energy audit for the purpose of establishing the amount of energy savings expected to result from such a project.

SB15-254

Renewable Energy Std New Solar Extend Date

Passed

Sponsors: GRANTHAM / LEE

Summary: Under current law, a 3-to-1 multiplier applies to each kilowatt-hour of electricity generated from solar electric generation technologies that begin producing electricity on or before July 1, 2015, for purposes of meeting the portfolio standards established for cooperative electric associations and municipally owned utilities that are qualifying retail utilities as part of Colorado's renewable energy statute. The bill extends this deadline to December 31, 2016, for municipally owned utilities.

SB15-258

Coordinated Rev CO2 Emission Red Measures

Postponed Indefinitely

Sponsors: COOKE / (NONE)

Summary: The bill would have required that, before the Colorado air quality control commission adopts a state plan for the reduction of carbon dioxide emissions by Colorado electric utilities in accordance with federal regulations, the proposed plan be:

- Reviewed by the Colorado public utilities commission (PUC) to determine, among other things, its likely impact on the rates paid for electricity by consumers;
- Evaluated by the PUC in a decision that is accompanied by a report summarizing the effects of the plan on rates, reliability, and Colorado's economy; and
- Adopted by both houses of the general assembly in a joint resolution approved by a majority vote.
- The bill appropriates \$112,083 to the department of public health and environment for use by the air pollution control division and \$200,000 to the department of regulatory agencies for personal services.

SB15-261

Utility's Public Notice Of Schedule Changes

Passed

Sponsors: SONNENBERG / YOUNG

Summary: Public utilities other than rail carriers must provide notice to the public utilities commission (commission) and the public of any change in a rate, fare, toll, rental, charge, classification, service, privilege, or facility by filing with the commission a new schedule stating the changes to be made and the time when the changes will go into effect. Additionally, a public utility



that is required to provide such notice, other than a transportation or water utility, must provide an additional form of notice to the public concerning the change. Currently, if the public utility wishes to provide additional public notice by a method other than newspaper publication, a bill insert for affected customers, or a separate mailing to affected customers, the public utility must apply to the commission for approval of such other manner of additional notice. An application for approval invokes a new proceeding before the commission. The bill, in changing the word "application" to "request", would not invoke a new commission proceeding to effectuate a public utility's request for an alternative method of providing additional public notice. It would permit the public utility to file a motion seeking an alternative method of providing additional public notice within the existing proceeding.

SB15-271

Continuation Of The Office Of Consumer Counsel

Passed

Sponsors:

SONNENBERG / BECKER J.

Summary:

The bill implements the recommendations contained in the department of regulatory agencies' sunset report on the office of consumer counsel and the utility consumers' board by:

- Continuing the office for 6 years to 2021;
- Continuing the utility consumers' board;
- Limiting the number of terms that a board member may serve to 2 consecutive terms; and
- Limiting the purview of both entities to include electric and gas service but not telephone service.