

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 15-1068.01 Duane Gall x4335

HOUSE BILL 15-1377

HOUSE SPONSORSHIP

Moreno and Becker J.,

SENATE SPONSORSHIP

Grantham and Donovan,

House Committees
Transportation & Energy

Senate Committees
Finance

A BILL FOR AN ACT

101 **CONCERNING THE ABILITY OF COOPERATIVE ELECTRIC ASSOCIATIONS**
102 **TO OBTAIN RENEWABLE ENERGY CREDITS THROUGH THE**
103 **OPERATION OF SHARED RETAIL DISTRIBUTED GENERATION**
104 **FACILITIES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
2nd Reading Unamended
May 5, 2015

HOUSE
3rd Reading Unamended
May 1, 2015

HOUSE
Amended 2nd Reading
April 30, 2015

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.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 40-2-124, **add** (1) (c)

3 (II) (D) as follows:

4 **40-2-124. Renewable energy standards - qualifying retail and**
5 **wholesale utilities - definitions - net metering - legislative declaration.**

6 (1) Each provider of retail electric service in the state of Colorado, other
7 than municipally owned utilities that serve forty thousand customers or
8 fewer, is a qualifying retail utility. Each qualifying retail utility, with the
9 exception of cooperative electric associations that have voted to exempt
10 themselves from commission jurisdiction pursuant to section 40-9.5-104
11 and municipally owned utilities, is subject to the rules established under
12 this article by the commission. No additional regulatory authority is
13 provided to the commission other than that specifically contained in this
14 section. In accordance with article 4 of title 24, C.R.S., the commission
15 shall revise or clarify existing rules to establish the following:

16 (c) Electric resource standards:

17 (II) (D) FOR PURPOSES OF A COOPERATIVE ELECTRIC
18 ASSOCIATION'S COMPLIANCE WITH THE RETAIL DISTRIBUTED GENERATION
19 REQUIREMENT SET FORTH IN SUB-SUBPARAGRAPH (A) OF THIS
20 SUBPARAGRAPH (II), AN ELECTRIC GENERATION FACILITY CONSTITUTES

1 RETAIL DISTRIBUTED GENERATION IF IT USES ONLY RENEWABLE ENERGY
2 RESOURCES; HAS A NAMEPLATE RATING OF TWO MEGAWATTS OR LESS; IS
3 LOCATED WITHIN THE SERVICE TERRITORY OF A COOPERATIVE ELECTRIC
4 ASSOCIATION; GENERATES ELECTRICITY FOR THE BENEFICIAL USE OF
5 SUBSCRIBERS WHO ARE MEMBERS OF THE COOPERATIVE ELECTRIC
6 ASSOCIATION IN THE SERVICE TERRITORY IN WHICH THE FACILITY IS
7 LOCATED; AND HAS AT LEAST FOUR SUBSCRIBERS IF THE FACILITY HAS A
8 NAMEPLATE RATING OF FIFTY KILOWATTS OR LESS AND AT LEAST TEN
9 SUBSCRIBERS IF THE FACILITY HAS A NAMEPLATE RATING OF MORE THAN
10 FIFTY KILOWATTS. A SUBSCRIBER'S SHARE OF THE PRODUCTION FROM THE
11 FACILITY MAY NOT EXCEED ONE HUNDRED TWENTY PERCENT OF THE
12 SUBSCRIBER'S AVERAGE ANNUAL CONSUMPTION. EACH COOPERATIVE
13 ELECTRIC ASSOCIATION MAY ESTABLISH, IN THE MANNER IT DEEMS
14 APPROPRIATE, THE: SUBSCRIBER; SUBSCRIPTION; PRICING, INCLUDING
15 CONSIDERATION OF LOW-INCOME MEMBERS; METERING; ACCOUNTING;
16 RENEWABLE ENERGY CREDIT OWNERSHIP; AND OTHER REQUIREMENTS AND
17 TERMS ASSOCIATED WITH ELECTRIC GENERATION FACILITIES DESCRIBED
18 IN THIS SUB-SUBPARAGRAPH (D).

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2016 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.