

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 24-207

BY SENATOR(S) Fenberg and Hansen, Buckner, Cutter, Exum, Fields, Jaquez Lewis, Marchman, Michaelson Jenet, Priola, Winter F.;
also REPRESENTATIVE(S) Soper and Valdez, Amabile, Bird, Boesenecker, Brown, English, Froelich, Hamrick, Jodeh, Joseph, Kipp, Mauro, McCormick, Ricks, Sirota, Titone, Vigil, Woodrow, McCluskie.

CONCERNING ACCESS TO DISTRIBUTED ENERGY, AND, IN CONNECTION THEREWITH, ESTABLISHING REQUIREMENTS FOR THE DEVELOPMENT OF INCLUSIVE COMMUNITY SOLAR CAPACITY THAT INVESTOR-OWNED ELECTRIC UTILITIES MUST MAKE AVAILABLE TO UTILITY CUSTOMERS, REQUIRING THE ACQUISITION OF DISTRIBUTED GENERATION FACILITIES PAIRED WITH ENERGY STORAGE, AND MAKING AN APPROPRIATION.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that inclusive community solar:

(a) Provides electric utilities, ratepayers, and communities the opportunity to realize the benefits of distributed energy generation;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(b) Expands equitable access to the clean energy transition for all ratepayers and communities, particularly for income-qualified households, renters, and other individuals who might not be able to install on-site solar energy systems at their residences;

(c) Strengthens the security and reliability of the electric grid by diversifying Colorado's electricity generation resources; and

(d) Contributes to the timely achievement of Colorado's greenhouse gas emission reduction goals.

(2) The general assembly further finds and declares that:

(a) Distributed generation that is paired with energy storage and interconnected to the distribution grid can provide benefits to electric ratepayers in Colorado, including:

(I) Alleviating stress on electric grid infrastructure in a cost-effective manner, which may make it possible to defer or avoid costly distribution and transmission system investments;

(II) Increasing the resilience and reliability of the electric distribution grid;

(III) Avoiding or reducing negative impacts to the health, safety, and welfare of Coloradans, especially for vulnerable populations;

(IV) Providing energy and capacity during times of peak demand resulting in lower overall system costs; and

(V) Reducing utility-scale curtailment of solar output, which is expected to be a growing problem during afternoon hours; and

(b) The deployment of distributed generation that is paired with energy storage and interconnected to the distribution grid can result in efficient system integration, optimized system value, and reduced systemwide curtailment of energy generation, which will provide benefits to electric ratepayers in Colorado.

(3) The general assembly further declares that:

(a) Colorado's existing community solar development should be updated and made more inclusive to afford more Coloradans access to the benefits of distributed energy resources and to position Colorado to take advantage of federal funding under the federal "Inflation Reduction Act of 2022"; and

(b) Enabling dispatchable distributed generation is in the public interest and is necessary for a timely transition to clean, affordable, and reliable energy.

SECTION 2. In Colorado Revised Statutes, 40-2-127, **amend** (5)(a)(IV) introductory portion; and **add** (8) as follows:

40-2-127. Community energy funds - community solar gardens - definitions - rules - legislative declaration - applicability - repeal.

(5) Purchases of the output from community solar gardens.

(a) (IV) For each qualifying retail utility's compliance years commencing in 2014 and ~~thereafter~~ THROUGH 2025, the commission shall determine the minimum and maximum purchases of electrical output from newly installed community solar gardens of different output capacity that the qualifying retail utility shall plan to acquire, without regard to the six-megawatt ceiling of the first three compliance years. In addition, as necessary, the commission shall formulate and implement policies consistent with this section that simultaneously encourage:

(8) **Applicability.** (a) THIS SECTION APPLIES TO COMMUNITY SOLAR CAPACITY THAT IS ALLOCATED ON OR BEFORE DECEMBER 31, 2025.

(b) COMMUNITY SOLAR CAPACITY THAT IS ALLOCATED ON OR AFTER JANUARY 1, 2026, IS ALLOCATED PURSUANT TO SECTION 40-2-127.2.

SECTION 3. In Colorado Revised Statutes, **add** 40-2-127.2 as follows:

40-2-127.2. Inclusive community solar development - definitions - subscription requirements - program capacity - energy bill credits - administration - rules - reports - applicability. (1) **Definitions - rules.** AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "AGRIVOLTAICS" HAS THE MEANING SET FORTH IN SECTION

35-1-114 (4)(a).

(b) (I) "COMMUNITY SOLAR BILL CREDIT" MEANS THE CREDIT VALUE OF THE ELECTRICITY GENERATED BY A COMMUNITY SOLAR FACILITY AND ALLOCATED TO A SUBSCRIBER TO OFFSET THE SUBSCRIBER'S UTILITY BILL.

(II) A "COMMUNITY SOLAR BILL CREDIT" IS CALCULATED PURSUANT TO THE NET METERING CREDIT METHODOLOGY ESTABLISHED IN SECTION 40-2-127 (5)(b)(II)(A) TO (5)(b)(II)(H).

(c) "COMMUNITY SOLAR FACILITY", "COMMUNITY SOLAR PROJECT", OR "FACILITY" MEANS A FACILITY:

(I) OWNED BY A SUBSCRIBER ORGANIZATION THAT GENERATES ELECTRICITY BY MEANS OF A SOLAR PHOTOVOLTAIC DEVICE;

(II) THROUGH WHICH A SUBSCRIBER TO THE FACILITY RECEIVES A COMMUNITY SOLAR BILL CREDIT FOR THE ELECTRICITY GENERATED IN PROPORTION TO THE SUBSCRIBER'S SHARE OF THE FACILITY'S KILOWATT-HOUR OUTPUT;

(III) THAT CONSTITUTES "RETAIL DISTRIBUTED GENERATION" AS DESCRIBED IN SECTION 40-2-124; AND

(IV) THAT IS ALLOCATED INCLUSIVE COMMUNITY SOLAR CAPACITY ON OR AFTER JANUARY 1, 2026.

(d) "CONSOLIDATED BILLING" MEANS THE INCLUSION OF THE COMMUNITY SOLAR BILL CREDIT AND THE SUBSCRIPTION CHARGES ON A CUSTOMER'S MONTHLY ELECTRIC UTILITY BILL.

(e) "INCLUSIVE COMMUNITY SOLAR" MEANS THE CAPACITY, INTERCONNECTION, AND SUBSCRIPTION REQUIREMENTS SET FORTH IN THIS SECTION WITH WHICH AN INVESTOR-OWNED ELECTRIC UTILITY, SUBSCRIBER ORGANIZATION, AND SUBSCRIPTION COORDINATOR MUST COMPLY WITH REGARD TO COMMUNITY SOLAR FACILITIES THAT ARE ALLOCATED CAPACITY ON OR AFTER JANUARY 1, 2026.

(f) "INCOME-QUALIFIED SUBSCRIBER" MEANS A RESIDENTIAL UTILITY CUSTOMER WHO:

(I) HAS A HOUSEHOLD INCOME AT OR BELOW TWO HUNDRED PERCENT OF THE CURRENT FEDERAL POVERTY LINE, AS DEFINED IN 42 U.S.C. SEC. 9902 (2);

(II) HAS A HOUSEHOLD INCOME AT OR BELOW EIGHTY PERCENT OF THE AREA MEDIAN INCOME, AS DETERMINED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT;

(III) MEETS INCOME ELIGIBILITY REQUIREMENTS AS DETERMINED BY THE COLORADO DEPARTMENT OF HUMAN SERVICES BY RULE PURSUANT TO SECTION 40-8.5-105; OR

(IV) DEMONSTRATES PARTICIPATION IN ONE OR MORE OF THE INCOME-QUALIFIED PROGRAMS THAT ARE LISTED IN SUBSECTION (5)(c)(III) OF THIS SECTION OR THAT THE COMMISSION DETERMINES PURSUANT TO SUBSECTION (5)(c)(III)(G) OF THIS SECTION QUALIFIES A PROSPECTIVE SUBSCRIBER FOR ELIGIBILITY AS AN INCOME-QUALIFIED SUBSCRIBER.

(g) "INVESTOR-OWNED ELECTRIC UTILITY" OR "UTILITY" MEANS A RETAIL ELECTRIC UTILITY IN THE STATE THAT IS NOT A COOPERATIVE ELECTRIC ASSOCIATION OR A MUNICIPALLY OWNED ELECTRIC UTILITY.

(h) "PREFERRED LOCATION" MEANS LOCATION ON A ROOFTOP; A PARKING LOT; ANOTHER IMPERVIOUS SURFACE; A BROWNFIELD SITE, AS DEFINED IN 42 U.S.C. SEC. 9601 (39), AS AMENDED; A BODY OF WATER; A MUNICIPAL PROPERTY; A STATE PROPERTY; OR ANOTHER PREVIOUSLY DISTURBED LOCATION AS ESTABLISHED BY THE COMMISSION AS PART OF A DISTRIBUTION SYSTEM PLAN PURSUANT TO SECTION 40-2-132 OR OTHER APPROPRIATE PROCEEDING.

(i) "SUBSCRIBER" MEANS A RETAIL CUSTOMER OF AN INVESTOR-OWNED ELECTRIC UTILITY THAT HAS ONE OR MORE SUBSCRIPTIONS WITH A COMMUNITY SOLAR FACILITY THAT IS INTERCONNECTED WITH THE UTILITY.

(j) "SUBSCRIBER ORGANIZATION" MEANS A PERSON THAT DEVELOPS, OWNS, OR OPERATES A COMMUNITY SOLAR FACILITY AND MAY INCLUDE A MUNICIPALITY, A COUNTY, A FOR-PROFIT ORGANIZATION, OR A NONPROFIT ORGANIZATION BUT DOES NOT INCLUDE AN INVESTOR-OWNED ELECTRIC UTILITY.

(k) "SUBSCRIPTION" MEANS A CONTRACT BETWEEN A SUBSCRIBER AND A SUBSCRIBER ORGANIZATION OR A SUBSCRIPTION COORDINATOR FOR A PORTION OF THE OUTPUT OF A COMMUNITY SOLAR FACILITY.

(l) "SUBSCRIPTION COORDINATOR" MEANS A PERSON THAT:

(I) MARKETS COMMUNITY SOLAR FACILITIES OR OTHERWISE PROVIDES SERVICES RELATED TO COMMUNITY SOLAR FACILITIES;

(II) PERFORMS ANY ADMINISTRATIVE ACTION TO ALLOCATE SUBSCRIPTIONS FOR A COMMUNITY SOLAR FACILITY, CONNECT A SUBSCRIBER TO A COMMUNITY SOLAR FACILITY, OR ENROLL A CUSTOMER IN A COMMUNITY SOLAR FACILITY; AND

(III) MANAGES INTERACTIONS BETWEEN A SUBSCRIBER ORGANIZATION AND AN INVESTOR-OWNED ELECTRIC UTILITY.

(2) Community solar facility and subscription requirements - rules. (a) A COMMUNITY SOLAR FACILITY MUST:

(I) HAVE A NAMEPLATE CAPACITY RATING OF FIVE MEGAWATTS OR LESS, AS MEASURED IN ALTERNATING CURRENT;

(II) INTERCONNECT TO THE ELECTRIC DISTRIBUTION SYSTEM OF AN INVESTOR-OWNED ELECTRIC UTILITY;

(III) COMPLY WITH ALL APPLICABLE REQUIREMENTS OF THE "COLORADO ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR REQUIREMENTS ACT", PART 3 OF ARTICLE 92 OF TITLE 24, IF THE COMMUNITY SOLAR FACILITY QUALIFIES AS AN "ENERGY SECTOR PUBLIC WORKS PROJECT" AS DEFINED IN SECTION 24-92-303 (5);

(IV) RESERVE AT LEAST FIFTY-ONE PERCENT OF THE COMMUNITY SOLAR FACILITY CAPACITY FOR SUBSCRIBERS WHO ARE INCOME-QUALIFIED SUBSCRIBERS; AND

(V) NOT ALLOCATE TO A SINGLE SUBSCRIBER MORE THAN FORTY PERCENT OF THE GENERATING CAPACITY OF THE FACILITY.

(b) A SUBSCRIPTION TO A COMMUNITY SOLAR FACILITY MUST:

(I) SUPPLY NO MORE THAN ONE HUNDRED AND TWENTY PERCENT OF THE SUBSCRIBER'S REASONABLY EXPECTED AVERAGE ANNUAL TOTAL CONSUMPTION OF ELECTRICITY; EXCEPT THAT NO MORE THAN TWO HUNDRED PERCENT OF A SUBSCRIBER'S REASONABLY EXPECTED AVERAGE ANNUAL TOTAL CONSUMPTION OF ELECTRICITY MAY BE SUPPLIED TO A SUBSCRIBER WHO IS A DIRECT BILL, INCOME-QUALIFIED SUBSCRIBER; AND

(II) BE PORTABLE AND TRANSFERABLE WITHIN THE SERVICE TERRITORY OF THE INVESTOR-OWNED ELECTRIC UTILITY IN WHICH THE COMMUNITY SOLAR FACILITY IS INTERCONNECTED TO THE UTILITY'S ELECTRIC GRID.

(c) COMMUNITY SOLAR FACILITIES THAT ARE OWNED BY THE SAME SUBSCRIBER ORGANIZATION OR BY PERSONS AFFILIATED WITH THE SUBSCRIBER ORGANIZATION MUST NOT EXCEED FIVE MEGAWATT CAPACITY MEASURED IN ALTERNATING CURRENT ON A SINGLE PARCEL OF LAND IN AN ANNUAL CAPACITY ALLOCATION CYCLE.

(d) A COMMUNITY SOLAR FACILITY THAT IS SITED ON A PREFERRED LOCATION OR THAT UTILIZES AGRIVOLTAICS MAY HAVE AN AGGREGATE CAPACITY OF UP TO TEN MEGAWATTS MEASURED IN ALTERNATING CURRENT.

(3) Inclusive community solar capacity - allocation - interconnection application - rules. (a) (I) ON OR AFTER JANUARY 1, 2026, BUT BEFORE FEBRUARY 1, 2026, AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL MAKE AVAILABLE AN ANNUAL CAPACITY ALLOCATION OF AT LEAST FIFTY MEGAWATTS OF INCLUSIVE COMMUNITY SOLAR CAPACITY, AND MAKE AVAILABLE ANY UNCLAIMED COMMUNITY SOLAR CAPACITY AS DETERMINED IN THE UTILITY'S MOST RECENT COMMISSION-APPROVED RENEWABLE ENERGY PLAN, IN ACCORDANCE WITH THIS SECTION.

(II) ON OR BEFORE FEBRUARY 1, 2027, AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL MAKE AVAILABLE AN ANNUAL CAPACITY ALLOCATION OF AT LEAST FIFTY MEGAWATTS OF INCLUSIVE COMMUNITY SOLAR CAPACITY, AND MAKE AVAILABLE ANY UNCLAIMED INCLUSIVE COMMUNITY SOLAR CAPACITY FROM THE PREVIOUS ALLOCATION CYCLE, IN ACCORDANCE WITH THIS SECTION.

(b) (I) ON OR AFTER JANUARY 1, 2026, BUT BEFORE FEBRUARY 1,

2026, AN INVESTOR-OWNED ELECTRIC UTILITY WITH FIVE HUNDRED THOUSAND OR FEWER CUSTOMERS SHALL MAKE AVAILABLE AN ANNUAL CAPACITY ALLOCATION OF THREE AND ONE-HALF MEGAWATTS OF INCLUSIVE COMMUNITY SOLAR CAPACITY IN ACCORDANCE WITH THIS SECTION.

(II) ON OR BEFORE FEBRUARY 1, 2027, AN INVESTOR-OWNED ELECTRIC UTILITY WITH FIVE HUNDRED THOUSAND OR FEWER CUSTOMERS SHALL MAKE AVAILABLE AN ANNUAL CAPACITY ALLOCATION OF THREE AND ONE-HALF MEGAWATTS OF INCLUSIVE COMMUNITY SOLAR CAPACITY AVAILABLE IN ACCORDANCE WITH THIS SECTION.

(c) ON OR BEFORE FEBRUARY 1, 2028, AND PERIODICALLY THEREAFTER, THE COMMISSION SHALL DETERMINE, BY RULE OR BY ORDER, THE AMOUNT OF INCLUSIVE COMMUNITY SOLAR CAPACITY THAT INVESTOR-OWNED ELECTRIC UTILITIES ARE REQUIRED TO MAKE AVAILABLE AND MAY ADJUST ANY REQUIREMENTS RELATED TO INCLUSIVE COMMUNITY SOLAR SPECIFIED IN THIS SECTION.

(d) (I) ALL INCLUSIVE COMMUNITY SOLAR CAPACITY MADE AVAILABLE PURSUANT TO THIS SECTION MUST BE ALLOCATED TO A SUBSCRIBER ORGANIZATION THAT DEMONSTRATES SITE CONTROL, HAS RECEIVED ALL APPLICABLE NONMINISTERIAL PERMITS, AND HAS AN EXECUTED INTERCONNECTION AGREEMENT WITH THE RELEVANT UTILITY.

(II) EXCEPT AS PROVIDED IN SUBSECTION (8)(b)(II) OF THIS SECTION, INCLUSIVE COMMUNITY SOLAR CAPACITY MUST BE ALLOCATED ON A FIRST-COME, FIRST-SERVED BASIS BASED ON THE DAY THE APPLICATION IS RECEIVED.

(e) IN ORDER TO FACILITATE EQUITABLE ACCESS TO CLEAN ENERGY, AN INVESTOR-OWNED ELECTRIC UTILITY SHALL ALLOW ALL INTERCONNECTION APPLICANTS FOR RETAIL DISTRIBUTED GENERATION PROJECTS AS DESCRIBED IN SECTION 40-2-124, INCLUDING COMMUNITY SOLAR FACILITIES, TO BEGIN THE INTERCONNECTION PROCESS NO LATER THAN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION.

(4) Community solar bill credits, unsubscribed electricity, and renewable energy credits - rules. (a) BEGINNING JANUARY 1, 2026, AN INVESTOR-OWNED ELECTRIC UTILITY SHALL:

(I) ACQUIRE THE ENTIRE ELECTRICAL OUTPUT OF A COMMUNITY SOLAR FACILITY THAT IS CONNECTED TO THE UTILITY'S DISTRIBUTION SYSTEM;

(II) APPLY COMMUNITY SOLAR BILL CREDITS TO SUBSCRIBERS' MONTHLY BILLS AS SOON AS PRACTICABLE BUT NO LATER THAN SIXTY DAYS AFTER THE MONTH DURING WHICH THE COMMUNITY SOLAR FACILITY GENERATED THE ELECTRICITY;

(III) PROVIDE COMMUNITY SOLAR BILL CREDITS TO A COMMUNITY SOLAR FACILITY'S SUBSCRIBERS FOR A TERM OF TWENTY YEARS AFTER THE DATE THE FACILITY BEGINS GENERATING BILL CREDITS OR UNTIL THE COMMUNITY SOLAR FACILITY IS DECOMMISSIONED OR THE SUBSCRIBER ORGANIZATION CEASES OPERATIONS OF A COMMUNITY SOLAR FACILITY, WHICHEVER OCCURS FIRST;

(IV) CARRY OVER ANY AMOUNT OF A COMMUNITY SOLAR BILL CREDIT THAT EXCEEDS THE SUBSCRIBER'S MONTHLY BILL AND APPLY IT TO THE SUBSCRIBER'S NEXT MONTHLY BILL UNTIL THE SUBSCRIBER CANCELS SERVICE WITH THE UTILITY, AT WHICH POINT THE UTILITY SHALL DONATE ANY REMAINING COMMUNITY SOLAR BILL CREDITS TO A THIRD-PARTY ADMINISTRATOR THAT IS QUALIFIED AND APPROVED BY THE UTILITY FOR THE PURPOSE OF PROVIDING ENERGY ASSISTANCE AND BILL REDUCTIONS TO INCOME-QUALIFIED SUBSCRIBERS WITHIN THE UTILITY'S SERVICE TERRITORY;

(V) ON A MONTHLY BASIS, PROVIDE TO A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR A REPORT INDICATING THE TOTAL VALUE OF COMMUNITY SOLAR BILL CREDITS GENERATED BY THE COMMUNITY SOLAR FACILITY IN THE PRIOR MONTH AND THE AMOUNT OF THE COMMUNITY SOLAR BILL CREDITS APPLIED TO EACH SUBSCRIBER; AND

(VI) PROVIDE, IF AN INVESTOR-OWNED ELECTRIC UTILITY HAS MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS, AT THE REQUEST OF A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR, CONSOLIDATED BILLING BY:

(A) INCLUDING THE SUBSCRIBER ORGANIZATION'S OR SUBSCRIPTION COORDINATOR'S MONTHLY SUBSCRIPTION CHARGE ON THE CUSTOMER'S MONTHLY BILL FOR ELECTRIC SERVICE AND SUPPLY FROM THE UTILITY; AND

(B) REMITTING THE CUSTOMER'S PAYMENT OF THE SUBSCRIBER ORGANIZATION'S OR SUBSCRIPTION COORDINATOR'S MONTHLY SUBSCRIPTION CHARGE TO THE SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR.

(b) A SUBSCRIBER ORGANIZATION SHALL, ON A MONTHLY BASIS AND IN AN ELECTRONIC FORMAT, PROVIDE THE INVESTOR-OWNED ELECTRIC UTILITY A SUBSCRIBER LIST INDICATING THE KILOWATTS OF A COMMUNITY SOLAR FACILITY'S NAMEPLATE CAPACITY ATTRIBUTABLE TO EACH SUBSCRIBER. A SUBSCRIBER ORGANIZATION SHALL UPDATE SUBSCRIBER LISTS MONTHLY TO REFLECT ANY NEW SUBSCRIBERS, SUBSCRIBERS THAT HAVE CANCELED THEIR SUBSCRIPTION, OR SUBSCRIBERS THAT HAVE ADJUSTED SUBSCRIPTION CAPACITY.

(c) (I) AN INVESTOR-OWNED ELECTRIC UTILITY'S PURCHASE OF THE OUTPUT OF A COMMUNITY SOLAR FACILITY MUST TAKE THE FORM OF A COMMUNITY SOLAR BILL CREDIT ON THE SUBSCRIBER'S MONTHLY BILL.

(II) AN INVESTOR-OWNED ELECTRIC UTILITY SHALL CALCULATE THE COMMUNITY SOLAR BILL CREDIT ON A SUBSCRIBER'S MONTHLY BILL PURSUANT TO THE METHODOLOGY ESTABLISHED FOR COMMUNITY SOLAR GARDENS IN SECTION 40-2-127 (5)(b)(II)(A) TO (5)(b)(II)(H).

(d) IF A COMMUNITY SOLAR FACILITY IS NOT FULLY SUBSCRIBED IN A GIVEN MONTH, THE UNSUBSCRIBED ELECTRICITY GENERATED BY THE FACILITY MAY BE ROLLED FORWARD ON THE COMMUNITY SOLAR FACILITY ACCOUNT FOR UP TO ONE YEAR AFTER THE MONTH OF GENERATION AND ALLOCATED BY THE SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR TO SUBSCRIBERS AT ANY TIME DURING THAT YEAR. AT THE END OF THE ONE-YEAR PERIOD IN WHICH THE UNSUBSCRIBED ELECTRICITY WAS ROLLED FORWARD, ANY UNDISTRIBUTED COMMUNITY SOLAR BILL CREDITS ARE REMOVED, AND THE INVESTOR-OWNED ELECTRIC UTILITY WITH WHICH THE COMMUNITY SOLAR FACILITY IS INTERCONNECTED SHALL PURCHASE THE UNSUBSCRIBED ENERGY AT THE UTILITY'S AVERAGE HOURLY INCREMENTAL COST OF ELECTRICITY SUPPLY OVER THE IMMEDIATELY PRECEDING CALENDAR YEAR.

(e) A SUBSCRIBER ORGANIZATION, SUBSCRIPTION COORDINATOR, OR SUBSCRIBER MAY ELECT TO DONATE BANKED COMMUNITY SOLAR BILL CREDITS TO A THIRD-PARTY ADMINISTRATOR THAT IS QUALIFIED AND

APPROVED BY THE UTILITY FOR THE PURPOSE OF PROVIDING ENERGY ASSISTANCE AND BILL REDUCTIONS TO INCOME-QUALIFIED SUBSCRIBERS WITHIN THE UTILITY'S SERVICE TERRITORY.

(f) THE SUBSCRIBER ORGANIZATION SHALL RETIRE ANY RENEWABLE ENERGY CREDITS FOR ELECTRICITY GENERATED BY A COMMUNITY SOLAR FACILITY ON BEHALF OF THE SUBSCRIBER IN THE YEAR THE ELECTRICITY IS GENERATED. THE SUBSCRIBER ORGANIZATION SHALL TRANSFER ANY RENEWABLE ENERGY CREDITS FOR UNSUBSCRIBED ENERGY TO THE UTILITY, WHICH SHALL RETIRE THE CREDITS ON BEHALF OF THE UTILITY'S CUSTOMERS IN THE YEAR THE CREDITS ARE GENERATED IN ACCORDANCE WITH SECTION 25-7-105 (1)(e)(VIII)(H).

(5) Subscriber enrollment, verification, and protections.

(a) SUBSCRIBER ORGANIZATIONS, SUBSCRIPTION COORDINATORS, AND REPRESENTATIVES OF SUCH PERSONS ARE PROHIBITED FROM:

(I) USING CREDIT SCORES, UTILITY CUSTOMER SCORES, OR ANY UTILITY DEPOSIT REQUIREMENTS TO APPROVE OR DENY A PROSPECTIVE RESIDENTIAL SUBSCRIBER'S PARTICIPATION IN A COMMUNITY SOLAR FACILITY;

(II) CHARGING A SIGN-UP FEE OR TERMINATION FEE TO A RESIDENTIAL SUBSCRIBER;

(III) ENGAGING IN MISLEADING OR DECEPTIVE CONDUCT; AND

(IV) MAKING FALSE OR MISLEADING REPRESENTATIONS.

(b) (I) A SUBSCRIBER ORGANIZATION SHALL PROVIDE AN INCOME-QUALIFIED SUBSCRIBER WHO IS A SUBSCRIBER A DISCOUNT OF AT LEAST TWENTY-FIVE PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT BY LIMITING THE SUBSCRIBER'S SUBSCRIPTION CHARGE TO NO MORE THAN SEVENTY-FIVE PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT.

(II) FOR A COMMUNITY SOLAR FACILITY THAT RECEIVES FEDERAL TAX INCENTIVES CREATED BY THE FEDERAL "INFLATION REDUCTION ACT OF 2022", PUB.L. 117-169, FOR THE SPECIFIC PURPOSE OF BEING LOCATED IN AN ENERGY COMMUNITY, THE SUBSCRIBER ORGANIZATION SHALL PROVIDE AN

INCOME-QUALIFIED SUBSCRIBER WHO IS A SUBSCRIBER A DISCOUNT OF AT LEAST THIRTY PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT BY LIMITING THE SUBSCRIBER'S SUBSCRIPTION CHARGE TO NO MORE THAN SEVENTY PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT.

(III) FOR A COMMUNITY SOLAR FACILITY THAT RECEIVES FEDERAL TAX INCENTIVES CREATED BY THE FEDERAL "INFLATION REDUCTION ACT OF 2022", PUB.L. 117-169, TO PROVIDE UTILITY BILL SAVINGS TO INCOME-QUALIFIED HOUSEHOLDS PURSUANT TO FEDERAL ELIGIBILITY REQUIREMENTS, THE SUBSCRIBER ORGANIZATION SHALL PROVIDE AN INCOME-QUALIFIED SUBSCRIBER WHO IS A SUBSCRIBER A DISCOUNT OF AT LEAST FIFTY PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT BY LIMITING THE SUBSCRIBER'S SUBSCRIPTION CHARGE TO NO MORE THAN FIFTY PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT.

(IV) FOR A COMMUNITY SOLAR FACILITY THAT RECEIVES BOTH OF THE FEDERAL TAX INCENTIVES DESCRIBED IN SUBSECTIONS (5)(b)(II) AND (5)(b)(III) OF THIS SECTION, THE SUBSCRIBER ORGANIZATION SHALL PROVIDE AN INCOME-QUALIFIED SUBSCRIBER WHO IS A SUBSCRIBER A DISCOUNT OF AT LEAST FIFTY-FIVE PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT BY LIMITING THE SUBSCRIBER'S SUBSCRIPTION CHARGE TO NO MORE THAN FORTY-FIVE PERCENT OF THE VALUE OF THE SUBSCRIBER'S COMMUNITY SOLAR BILL CREDIT.

(V) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR SHALL PROVIDE, AT THE REQUEST OF THE COMMISSION, DETAILS REGARDING THE GUARANTEED DISCOUNTS DESCRIBED IN SUBSECTIONS (5)(b)(I), (5)(b)(II), (5)(b)(III), AND (5)(b)(IV) OF THIS SECTION GRANTED TO INCOME-QUALIFIED SUBSCRIBERS IN A FORM THAT IS SPECIFIED BY THE COMMISSION.

(VI) IN THE EVENT THAT THERE IS UNCLAIMED INCLUSIVE COMMUNITY SOLAR CAPACITY, STAKEHOLDERS MAY PETITION THE COMMISSION TO, OR THE COMMISSION MAY THROUGH AN APPROPRIATE PROCEEDING, CONSIDER ALTERING THE GUARANTEED DISCOUNTS DESCRIBED IN SUBSECTIONS (5)(b)(I), (5)(b)(II), (5)(b)(III), AND (5)(b)(IV) OF THIS SECTION FOR INCOME-QUALIFIED SUBSCRIBERS.

(c) A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR SHALL USE ANY ONE OR MORE OF THE FOLLOWING METHODS TO VERIFY THE INCOME OF A PROSPECTIVE SUBSCRIBER, OR A MEMBER OF THE HOUSEHOLD FOR WHICH THE SUBSCRIPTION IS ATTRIBUTED, FOR ELIGIBILITY AS AN INCOME-QUALIFIED SUBSCRIBER:

(I) SELF-ATTESTATION;

(II) PROOF OF RESIDENCE IN AN AFFORDABLE HOUSING COMMUNITY;
OR

(III) EVIDENCE OF ELIGIBILITY FOR OR ENROLLMENT IN AT LEAST ONE OF THE FOLLOWING PROGRAMS:

(A) THE WEATHERIZATION ASSISTANCE PROGRAM IN THE COLORADO ENERGY OFFICE, AS DESCRIBED IN SECTION 24-38.5-102 (1)(g);

(B) THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM IN THE DEPARTMENT OF HUMAN SERVICES, ESTABLISHED IN PART 3 OF ARTICLE 2 OF TITLE 26;

(C) MEDICAID, AS DEFINED IN SECTION 10-16-1203 (8);

(D) THE HEAD START PROGRAM IN THE DEPARTMENT OF EARLY CHILDHOOD, AS DEFINED IN SECTION 26.5-4-103 (6);

(E) FREE AND REDUCED-PRICE SCHOOL MEALS PURSUANT TO THE FEDERAL "RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ., OR A SIMILAR FREE OR REDUCED-PRICE SCHOOL MEALS PROGRAM;

(F) THE FEDERAL LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM ADMINISTERED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES' ADMINISTRATION FOR CHILDREN AND FAMILIES PURSUANT TO 42 U.S.C. SEC. 8621 ET SEQ., AS AMENDED; OR

(G) ANY OTHER GOVERNMENTAL OR LOCAL ASSISTANCE PROGRAM THAT THE COMMISSION DETERMINES QUALIFIES A PROSPECTIVE SUBSCRIBER FOR ELIGIBILITY AS AN INCOME-QUALIFIED SUBSCRIBER.

(d) THE COMMISSION SHALL ADOPT A UNIFORM DISCLOSURE FORM THAT IDENTIFIES THE INFORMATION THAT A SUBSCRIBER ORGANIZATION OR SUBSCRIPTION COORDINATOR SHALL PROVIDE TO A POTENTIAL SUBSCRIBER. THE DISCLOSURE FORM MUST:

(I) DISCLOSE FUTURE COSTS AND BENEFITS OF SUBSCRIPTIONS;

(II) DISCLOSE KEY CONTRACT TERMS;

(III) PROVIDE GRIEVANCE, ENFORCEMENT, AND CANCELLATION PROCEDURES;

(IV) PROVIDE OTHER RELEVANT INFORMATION PERTAINING TO THE SUBSCRIPTIONS; AND

(V) BE OFFERED IN BOTH ENGLISH AND SPANISH LANGUAGES AND, WHEN APPROPRIATE, NATIVE AMERICAN OR INDIGENOUS LANGUAGES.

(e) SUBSCRIBER ORGANIZATIONS ARE ENCOURAGED TO CONDUCT TARGETED OUTREACH TO TRIBAL CUSTOMERS BY PARTNERING WITH COLORADO-BASED NONPROFIT ORGANIZATIONS THAT HAVE A PRIMARY MISSION OF IMPROVING THE SOCIOECONOMIC CONDITIONS OF AND PROVIDING ENERGY ASSISTANCE FOR TRIBAL CUSTOMERS WHO ARE NOT LOCATED ON A RESERVATION.

(6) **Cost recovery.** AN INVESTOR-OWNED ELECTRIC UTILITY SHALL BE ALLOWED TO RECOVER PRUDENTLY INCURRED COSTS, INCLUDING ENERGY PURCHASES AND ADMINISTRATIVE AND INFORMATION TECHNOLOGY EXPENSES, IN A MANNER APPROVED BY THE COMMISSION BY RULE OR OTHER APPROPRIATE MECHANISM.

(7) **Interconnection - reports.** (a) AN INVESTOR-OWNED ELECTRIC UTILITY SHALL SHARE ALL RESULTS FROM ANY INTERCONNECTION STUDY CONDUCTED PURSUANT TO COMMISSION RULES WITH THE INTERCONNECTION APPLICANT PURSUANT TO UTILITY CONFIDENTIALITY REQUIREMENTS.

(b) ON OR BEFORE JANUARY 31, 2025, AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL FILE WITH THE COMMISSION UPDATES TO APPROPRIATE TARIFFS THAT ARE NECESSARY TO IMPLEMENT PRO RATA INTERCONNECTION COST-SHARING

MECHANISMS FOR SYSTEM UPGRADES WHEREBY A COMMUNITY SOLAR FACILITY ONLY PAYS THE FACILITY'S PROPORTIONAL SHARE OF NEWLY CREATED HOSTING CAPACITY ASSOCIATED WITH THE FACILITY.

(c) WHEN AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS FILES A DISTRIBUTION SYSTEM PLAN WITH THE COMMISSION PURSUANT TO SECTION 40-2-132, THE INVESTOR-OWNED ELECTRIC UTILITY SHALL:

(I) PROVIDE INFORMATION WHEN INTERCONNECTION COSTS FOR A COMMUNITY SOLAR FACILITY EXCEED TWENTY CENTS PER WATT, MEASURED IN ALTERNATING CURRENT, AND PROPOSE TO THE COMMISSION POTENTIAL SOLUTIONS TO FACILITATE FUTURE INTERCONNECTIONS IN THAT SAME GEOGRAPHIC AREA THAT MAY INCLUDE:

(A) COST-SHARING MECHANISMS AMONG SUBSCRIBER ORGANIZATIONS OR BETWEEN AN INTERCONNECTION APPLICANT AND THE UTILITY;

(B) DISTRIBUTION GRID UPGRADES, SUCH AS DISTRIBUTED ENERGY STORAGE, WHICH MAY BE FUNDED BY THE UTILITY, INTERCONNECTION APPLICANT, OR SOME COMBINATION OF THE UTILITY AND INTERCONNECTION APPLICANT; OR

(C) FLEXIBLE INTERCONNECTION PRACTICES; AND

(II) INCLUDE THE FOLLOWING INFORMATION IN A REPORT TO THE COMMISSION AS PART OF THE DISTRIBUTION SYSTEM PLAN, WHICH IS FILED WITH THE COMMISSION PURSUANT TO SECTION 40-2-132:

(A) THE AMOUNT OF INCLUSIVE COMMUNITY SOLAR CAPACITY AWARDED PURSUANT TO THIS SECTION;

(B) THE AMOUNT OF OPERATIONAL COMMUNITY SOLAR CAPACITY DEVELOPED PURSUANT TO THIS SECTION AND SECTION 40-2-127; AND

(C) A NARRATIVE DETAILING THE UTILITY'S PROGRESS TOWARD FACILITATING COST-EFFECTIVE INTERCONNECTION OF COMMUNITY SOLAR FACILITIES WITH THE UTILITY'S DISTRIBUTION SYSTEM.

(8) Program administration. (a) THE COMMISSION SHALL:

(I) ADOPT AND ENFORCE ALL RULES REQUIRED UNDER THIS SECTION;

(II) REQUIRE INVESTOR-OWNED ELECTRIC UTILITIES TO FILE THE TARIFFS, THE AGREEMENTS, OR OTHER FORMS NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION;

(III) ESTABLISH A DEADLINE BY WHICH AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL IMPLEMENT A CONSOLIDATED BILLING PROGRAM AND DIRECT THE UTILITY TO TRACK ALL COSTS ASSOCIATED WITH IMPLEMENTING AND OPERATING THE CONSOLIDATED BILLING PROGRAM SO THAT THE COMMISSION MAY ESTABLISH A FEE TO BE PAID TO THE INVESTOR-OWNED ELECTRIC UTILITY BY SUBSCRIBER ORGANIZATIONS THAT ELECT TO UTILIZE A CONSOLIDATED BILLING PROGRAM IN ORDER TO OFFSET THE COSTS OF IMPLEMENTING AND OPERATING THE CONSOLIDATED BILLING PROGRAM;

(IV) COORDINATE WITH THE COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101 (1) TO ENSURE ALIGNMENT WITH ANY FEDERAL GRANT FUNDING RECEIVED BY THE STATE FOR THE PURPOSE OF SUPPORTING LOW-INCOME COMMUNITY SOLAR PROJECTS;

(V) CLARIFY THAT SUBSCRIBER ORGANIZATIONS, SUBSCRIPTION COORDINATORS, OR SUBSCRIBERS ARE NOT CONSIDERED PUBLIC UTILITIES SUBJECT TO REGULATION BY THE COMMISSION SOLELY AS A RESULT OF THEIR PARTICIPATION IN INCLUSIVE COMMUNITY SOLAR;

(VI) CONSIDER THE INTEGRATION OF COMMUNITY SOLAR SUBSCRIPTIONS FOR INCOME-QUALIFIED SUBSCRIBERS WITH OTHER PROGRAMS DESIGNED TO REDUCE CUSTOMER UTILITY BILLS AND DELIVER ENERGY-RELATED SERVICES, INCLUDING PROGRAMS RELATED TO DEMAND-SIDE MANAGEMENT, BENEFICIAL ELECTRIFICATION, AND TRANSPORTATION ELECTRIFICATION; AND

(VII) CONDUCT MULTILINGUAL AND CULTURALLY RELEVANT OUTREACH TO ENGAGE, EDUCATE, AND SOLICIT INPUT FROM REPRESENTATIVES FROM DISPROPORTIONATELY IMPACTED COMMUNITIES, IN ACCORDANCE WITH SECTION 40-2-108, AND CONSIDER ADDITIONAL STRATEGIES AS NECESSARY TO ENSURE ROBUST PARTICIPATION BY MEMBERS

OF DISPROPORTIONATELY IMPACTED COMMUNITIES IN ANY RULE-MAKING RELATED TO INCLUSIVE COMMUNITY SOLAR. THE COMMISSION SHALL CONSIDER A PROCESS TO COMPENSATE INDIVIDUALS WHO PARTICIPATE IN THE OUTREACH FOR THEIR PARTICIPATION, AT A LEVEL DETERMINED APPROPRIATE BY THE COMMISSION.

(b) ON OR BEFORE NOVEMBER 1, 2025, AN INVESTOR-OWNED ELECTRIC UTILITY SHALL FILE AN APPLICATION WITH THE COMMISSION, EITHER AS A STANDALONE APPLICATION OR AS PART OF ANOTHER APPLICATION THAT IS BEING FILED WITH THE COMMISSION, THAT:

(I) ENABLES THE ALLOCATION OF INCLUSIVE COMMUNITY SOLAR CAPACITY THAT IS REQUIRED TO BE MADE AVAILABLE BY THE INVESTOR-OWNED ELECTRIC UTILITY PURSUANT TO THIS SECTION; AND

(II) ESTABLISHES A PROCESS FOR THE INVESTOR-OWNED ELECTRIC UTILITY TO PRIORITIZE COMMUNITY SOLAR FACILITIES LOCATED ON PREFERRED LOCATIONS OVER COMMUNITY SOLAR FACILITIES NOT LOCATED ON PREFERRED LOCATIONS, WHICH PROCESS MUST ONLY BE USED TO PRIORITIZE BETWEEN FACILITIES APPLYING FOR INCLUSIVE COMMUNITY SOLAR CAPACITY ON THE DAY THAT QUALIFIED COMMUNITY SOLAR FACILITY APPLICATIONS EXCEED THE REMAINING AVAILABLE CAPACITY IN AN ANNUAL CAPACITY ALLOCATION CYCLE; HOWEVER, THE INVESTOR-OWNED ELECTRIC UTILITY SHALL NOT CREATE A WAITING LIST THAT CARRIES OVER INTO THE NEXT YEAR.

(c) ON OR BEFORE JANUARY 1, 2029, THE COMMISSION SHALL REPORT TO THE HOUSE OF REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE AND THE SENATE TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, ON THE COMMUNITY SOLAR FACILITIES DEVELOPED PURSUANT TO THIS SECTION. THE REPORT MUST INCLUDE:

(I) THE PERCENTAGE OF AWARDED INCLUSIVE COMMUNITY SOLAR CAPACITY THAT WAS SUCCESSFULLY INTERCONNECTED TO INVESTOR-OWNED ELECTRIC UTILITY DISTRIBUTION SYSTEMS;

(II) THE TOTAL NUMBER OF INCOME-QUALIFIED SUBSCRIBERS WHO ARE SUBSCRIBERS SERVED BY A COMMUNITY SOLAR FACILITY AND ANY IMPACTS THAT THE SUBSCRIPTIONS HAVE ON THE AVERAGE ANNUAL BILL COST OF THOSE INCOME-QUALIFIED SUBSCRIBERS;

(III) THE TOTAL NUMBER OF INCOME-QUALIFIED SUBSCRIBERS WHO PARTICIPATED IN INCLUSIVE COMMUNITY SOLAR IN CONJUNCTION WITH OTHER PROGRAMS DESIGNED TO REDUCE CUSTOMER UTILITY BILLS, SUPPORT BENEFICIAL ELECTRIFICATION, AND ADVANCE ENERGY EFFICIENCY; AND

(IV) ANY OTHER INFORMATION RELATED TO COMMUNITY SOLAR FACILITIES DEVELOPED PURSUANT TO THIS SECTION THAT THE COMMISSION DEEMS NECESSARY.

(9) **Applicability.** (a) THIS SECTION APPLIES TO INCLUSIVE COMMUNITY SOLAR CAPACITY THAT IS ALLOCATED ON OR AFTER JANUARY 1, 2026.

(b) COMMUNITY SOLAR CAPACITY THAT IS ALLOCATED ON OR BEFORE DECEMBER 31, 2025, IS ALLOCATED PURSUANT TO SECTION 40-2-127.

SECTION 4. In Colorado Revised Statutes, **add** 40-2-130.5 as follows:

40-2-130.5. Dispatchable distributed generation - energy storage - definitions - program capacity - program administration - rules.

(1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "DISPATCHABLE DISTRIBUTED GENERATION" MEANS DISTRIBUTED GENERATION PAIRED WITH A CO-LOCATED ENERGY STORAGE SYSTEM THAT IS:

(I) DIRECTLY INTERCONNECTED TO AN INVESTOR-OWNED ELECTRIC UTILITY'S DISTRIBUTION SYSTEM AND IS NOT BEHIND A CUSTOMER METER; AND

(II) MEASURED BY THE CAPACITY OF THE DISTRIBUTED GENERATION IN ALTERNATING CURRENT.

(b) "DISTRIBUTED GENERATION" MEANS A RENEWABLE ENERGY RESOURCE AS DEFINED IN SECTION 40-2-124 (1)(a)(VII) THAT INTERCONNECTS TO A UTILITY'S DISTRIBUTION SYSTEM.

(c) "ENERGY STORAGE SYSTEM" HAS THE SAME MEANING AS SET FORTH IN SECTION 40-2-130 (2)(a).

(d) "INVESTOR-OWNED ELECTRIC UTILITY" OR "UTILITY" MEANS A RETAIL ELECTRIC UTILITY IN THE STATE THAT IS NOT A COOPERATIVE ELECTRIC ASSOCIATION OR A MUNICIPALLY OWNED ELECTRIC UTILITY.

(2) **Program capacity.** (a) ON OR BEFORE JUNE 1, 2026, AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL ACQUIRE AT LEAST FIFTY MEGAWATTS OF DISPATCHABLE DISTRIBUTED GENERATION.

(b) ON OR AFTER JANUARY 1, 2027, BUT BEFORE JUNE 1, 2027, AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS SHALL ACQUIRE AT LEAST FIFTY MEGAWATTS OF DISPATCHABLE DISTRIBUTED GENERATION.

(c) TO ENSURE THAT AN INVESTOR-OWNED ELECTRIC UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND CUSTOMERS ACQUIRES DISPATCHABLE DISTRIBUTED GENERATION IN ACCORDANCE WITH SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION, THE COMMISSION SHALL:

(I) DETERMINE THE PROCEDURES FOR A UTILITY TO ACQUIRE DISPATCHABLE DISTRIBUTED GENERATION;

(II) ESTABLISH A METHODOLOGY THAT ASCRIBES VALUE TO DISPATCHABLE DISTRIBUTED GENERATION LOCATED IN SPECIFIC AREAS OF THE ELECTRIC GRID IN ORDER TO DIRECT THE DEVELOPMENT OF DISPATCHABLE DISTRIBUTED GENERATION RESOURCES IN OPTIMAL LOCATIONS; AND

(III) ADOPT ANY OTHER PROGRAM- OR PROJECT-SPECIFIC REQUIREMENTS THE COMMISSION DEEMS NECESSARY TO FACILITATE THE ACQUISITION OF DISPATCHABLE DISTRIBUTED GENERATION, INCLUDING ALL APPLICABLE REQUIREMENTS OF THE "COLORADO ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR REQUIREMENTS ACT", PART 3 OF ARTICLE 92 OF TITLE 24, FOR DISPATCHABLE DISTRIBUTED GENERATION PROJECTS THAT QUALIFY AS AN "ENERGY SECTOR PUBLIC WORKS PROJECT" AS DEFINED IN SECTION 24-92-303 (5).

(d) ON OR BEFORE JUNE 1, 2028, AND PERIODICALLY THEREAFTER, THE COMMISSION SHALL DETERMINE THE PROCEDURE AND CAPACITY AMOUNTS FOR FUTURE ACQUISITIONS OF DISPATCHABLE DISTRIBUTED GENERATION BY AN INVESTOR-OWNED ELECTRIC UTILITY.

(3) **Program administration.** THE COMMISSION SHALL:

(a) ADOPT AND ENFORCE ALL RULES REQUIRED UNDER THIS SECTION;

(b) REQUIRE ALL APPLICABLE INVESTOR-OWNED ELECTRIC UTILITIES TO FILE THE TARIFFS, THE AGREEMENTS, OR OTHER FORMS AND DOCUMENTS NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION; AND

(c) CONSULT WITH THE COLORADO ELECTRIC TRANSMISSION AUTHORITY, CREATED IN SECTION 40-42-103, AS NECESSARY TO PLAN FOR AND OPTIMIZE THE USE OF DISPATCHABLE DISTRIBUTED GENERATION THAT IS ACQUIRED AND DEVELOPED IN ACCORDANCE WITH THIS SECTION.

SECTION 5. Appropriation. (1) For the 2024-25 state fiscal year, \$116,505 is appropriated to the department of regulatory agencies for use by the public utilities commission. This appropriation is from the public utilities commission fixed utility fund created in section 40-2-114 (1)(b)(II), C.R.S. To implement this act, the commission may use this appropriation as follows:

(a) \$101,245 for personal services, which amount is based on an assumption that the commission will require an additional 1.5 FTE; and

(b) \$15,260 for operating expenses.

SECTION 6. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for

the support and maintenance of the departments of the state and state institutions.

Steve Fenberg
PRESIDENT OF
THE SENATE

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO