HB1238 L.006

HOUSE COMMITTEE OF REFERENCE AMENDMENT Committee on Energy & Environment.

HB21-1238 be amended as follows:

- Amend printed bill, page 4, line 1, strike "PROCESSES," and substitute
- 2 "PROCESSES.".
- 3 Page 4, strike lines 2 through 6.
- 4 Page 6, line 18, after "(2)(b)," insert "(2)(c)(I),".
- 5 Page 7, after line 27 insert:
- "(c) (I) (A) Adopt procedures for allowing gas utilities to recover their prudently incurred costs of DSM programs without having to file a rate case. Such costs shall include, but are not limited to, facility investments; rebates; interest rate buy-downs; incremental labor costs, employee benefits, carrying costs, and employee-related administrative costs; and other administrative costs. All such costs shall be recovered through a cost adjustment mechanism that is set on an annual basis, or more frequently if deemed appropriate.
- 14 (B) LABOR COSTS SHALL REFLECT, AND THE COMMISSION SHALL REQUIRE, COMPLIANCE WITH ALL APPLICABLE LABOR STANDARDS SET FORTH IN SECTION 40-3.2-105.5.".
- 17 Page 9, line 22, after "(3.5)" insert "(a)".
- 18 Page 10, after line 1 insert:
- 19 "(b) THE COMMISSION SHALL NOT REQUIRE THE REMOVAL OF 20 GAS-FUELED APPLIANCES OR EQUIPMENT FROM AN EXISTING STRUCTURE 21 NOR BAN THE INSTALLATION OF GAS SERVICE LINES TO ANY NEW 22 STRUCTURE.
- SECTION 5. In Colorado Revised Statutes, add 40-3.2-105.5 as follows:
- 40-3.2-105.5. Labor standards for DSM projects. (1) This section applies to all necessary plumbing, mechanical, and electrical work performed in connection with a project undertaken pursuant to a gas DSM program under this article 3.2 and for which a customer of an investor-owned utility applies for a rebate directly from the utility.
- 31 (2) When practicable, the utility may assign its own 32 employees to perform the work, subject to state licensing
- 33 REQUIREMENTS AND ALL APPLICABLE STATE AND LOCAL RULES, CODES,
- 34 AND STANDARDS.

- (3) (a) THE UTILITY SHALL OBTAIN FROM THE COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT AND SHALL MAKE USE OF A LIST, REFERRED TO IN THIS SECTION AS THE "CERTIFIED CONTRACTOR LIST", CONTAINING THE NAMES AND CONTACT INFORMATION OF:
- (I) QUALIFIED CONTRACTORS THAT PARTICIPATE IN APPRENTICESHIP PROGRAMS THAT:
- (A) ARE REGISTERED WITH THE UNITED STATES DEPARTMENT OF LABOR'S EMPLOYMENT AND TRAINING ADMINISTRATION OR WITH A STATE APPRENTICESHIP COUNCIL RECOGNIZED BY THE UNITED STATES DEPARTMENT OF LABOR; AND
- (B) HAVE BEEN PROVIDING TRAINING FOR AT LEAST SIX MONTHS;
 - (II) QUALIFIED MECHANICAL, ELECTRICAL, AND PLUMBING CONTRACTORS THAT PARTICIPATE IN APPRENTICESHIP PROGRAMS MEETING THE STANDARDS SPECIFIED IN SECTION 24-92-115 (1)(a)(II).
 - (b) The utility shall publish the certified contractor list on its website and include or reference the list in all of the utility's relevant marketing material for gas DSM programs.
 - (c) In addition to the certified contractor list, each investor-owned gas utility shall require its residential customers to use licensed plumbing and electrical contractors that perform the type of work appropriate to residential gas DSM installations for participation in gas DSM programs where a rebate is paid directly to the customer and the customer uses a contractor.
 - (4) The following requirements apply to gas DSM projects in New or existing buildings:
 - (a) For plumbing, mechanical, or electrical projects undertaken by a commercial or industrial customer in a building that contains twenty thousand square feet or more of conditioned floor space and for which a rebate is to be provided directly to the customer as part of a gas DSM program, the utility shall condition payment of the rebate on the customer's exclusive use of contractors from the certified contractor list unless the work is done by employees of the utility.
 - (b) (I) For plumbing, mechanical, or electrical projects that involve energy efficiency improvements to central building systems in a multifamily building that contains twenty thousand square feet or more of conditioned floor space and for which a rebate is to be provided directly to the building owner as part of a gas DSM program, the utility shall condition payment of the rebate on the building owner's exclusive use of contractors that participate in apprenticeship programs

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- 1 REGISTERED WITH THE UNITED STATES DEPARTMENT OF LABOR'S
- 2 EMPLOYMENT AND TRAINING ADMINISTRATION OR WITH A STATE
- 3 APPRENTICESHIP COUNCIL RECOGNIZED BY THE UNITED STATES
- 4 DEPARTMENT OF LABOR FOR ANY NECESSARY PLUMBING OR ELECTRICAL
- 5 WORK. IF THE CONTRACTOR CHOSEN BY THE CUSTOMER IS NOT ON THE
- 6 CERTIFIED CONTRACTOR LIST, THE UTILITY SHALL REQUIRE ANOTHER
- 7 METHOD OF VERIFYING COMPLIANCE WITH THIS SUBSECTION (4)(b).
- 8 (II) This subsection (4)(b) does not apply to a gas DSM
- 9 PROJECT THAT IS LIMITED TO IN-UNIT WORK IN A MULTIFAMILY BUILDING,
- 10 AS UNDERTAKEN BY THE OWNER OR TENANT OF THE MULTIFAMILY
- 11 BUILDING OR UNIT.".
- 12 Renumber succeeding sections accordingly.
- Page 10, line 17, strike "government." and substitute "government USING
- 14 A DISCOUNT RATE OF TWO AND ONE-HALF PERCENT OR LESS.".
- Page 10, line 19, strike "forty-six" and substitute "forty-six SIXTY-EIGHT".
- Page 10, line 21, strike "central value" and substitute "central value".
- 17 Page 11, line 26, after "GOVERNMENT," insert "USING A DISCOUNT RATE
- 18 OF TWO AND ONE-HALF PERCENT OR LESS".
- 19 Page 12, line 3, strike "NINETY" and substitute "SEVEN HUNDRED
- 20 FIFTY-SIX".
- 21 Page 12, lines 6 and 7, strike "CENTRAL VALUE".
- 22 Page 13, strike lines 25 through 27.
- 23 Strike page 14 and substitute:
- 24 "SECTION 8. Act subject to petition effective date -
- 25 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
- 26 the expiration of the ninety-day period after final adjournment of the
- 27 general assembly; except that, if a referendum petition is filed pursuant
- to section 1 (3) of article V of the state constitution against this act or an
- 29 item, section, or part of this act within such period, then the act, item,
- section, or part will not take effect unless approved by the people at the
- 31 general election to be held in November 2022 and, in such case, will take
- 32 effect on the date of the official declaration of the vote thereon by the
- 33 governor.

1 (2) This act applies to plans, applications, or other documents 2 reviewed by the public utilities commission on or after the applicable 3 effective date of this act.".

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