

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.



SENATE BILL 19-077

BY SENATOR(S) Priola and Williams A., Bridges, Fenberg, Foote;
also REPRESENTATIVE(S) Hansen, Arndt, Bird, Cutter, Gray, Hooton,
Jackson, Jaquez Lewis, Kennedy, Kipp, McCluskie, McLachlan, Melton,
Michaelson Jenet, Roberts, Singer, Snyder, Becker, Buentello.

CONCERNING MEASURES THAT AFFECT THE DEVELOPMENT OF
INFRASTRUCTURE USED BY ELECTRIC MOTOR VEHICLES, AND, IN
CONNECTION THEREWITH, ESTABLISHING A PROCESS AT THE
COLORADO PUBLIC UTILITIES COMMISSION WHEREBY A PUBLIC
UTILITY MAY UNDERTAKE IMPLEMENTATION OF AN ELECTRIC MOTOR
VEHICLE INFRASTRUCTURE PROGRAM WITHIN THE AREA COVERED BY
THE UTILITY'S CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.

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

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

(a) Widespread adoption of electric vehicles is necessary to diversify
the transportation fuel mix, improve national security, and protect air
quality;

*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) The number of electric vehicles registered in Colorado has doubled over the last three years, and, with expanded infrastructure investment, future growth is projected to accelerate;

(c) This growth will be assisted by investments in infrastructure necessary to maximize the benefits of the expanding electric vehicle market;

(d) Widespread adoption of electric vehicles requires that public utilities increase access to electricity as transportation fuel, including for low- and moderate-income and underserved communities;

(e) Widespread adoption of electric vehicles should provide consumers with fuel cost savings and electric utility customers with potential cost-saving benefits;

(f) Widespread adoption of electric vehicles should stimulate innovation, competition, and increased choices in charging equipment and networks and should also attract private capital investments and create high-quality jobs in Colorado; and

(g) Widespread adoption of electric vehicles should improve an electric public utility's electrical system efficiency and operational flexibility, including the ability of the electric public utility to integrate variable renewable energy generation resources and to make use of off-peak generation resources.

SECTION 2. In Colorado Revised Statutes, 40-1-103.3, **amend** (2) and (6) as follows:

40-1-103.3. Alternative fuel vehicles - definition. (2) For the purposes of articles 1 to 7 of this ~~title~~ TITLE 40, persons generating electricity for use in alternative fuel vehicle charging or fueling facilities as authorized by subsection (4) of this section, persons reselling electricity supplied by a public utility, or persons reselling compressed or liquefied natural gas, liquefied petroleum gas, or any component parts or by-products to governmental entities or to the public for use as fuel in alternative fuel vehicles or buying electricity stored in such vehicles for resale are not subject to regulation as a public utility. Electric ~~and natural gas~~ public utilities may provide the services described in this subsection (2) as unregulated OR REGULATED services. ~~and~~ NATURAL GAS PUBLIC UTILITIES

MAY PROVIDE these SERVICES AS unregulated services. ~~may not be subsidized by the regulated services of the electric or natural gas public utility.~~

~~(6) The regulated expenditures and investments made by a public utility to accommodate alternative fuel vehicle charging and fueling facilities are equal in priority to all other infrastructure necessary to serve any customer of the public utility in its service territory, but are subordinate to the safety and reliability obligations of the utility~~ AN ELECTRIC PUBLIC UTILITY MAY RECOVER THE COSTS OF DISTRIBUTION SYSTEM INVESTMENTS TO ACCOMMODATE ALTERNATIVE FUEL VEHICLE CHARGING, SUBJECT TO EVALUATION AND COST RECOVERY PROVISIONS THAT ARE COMPARABLE TO OTHER REGULATED INVESTMENTS IN THE DISTRIBUTION GRID; EXCEPT THAT DISTRIBUTION SYSTEM INVESTMENTS THAT ARE A COMPONENT OF A TRANSPORTATION ELECTRIFICATION PLAN SUBMITTED IN ACCORDANCE WITH SECTION 40-5-107 ARE SUBJECT TO SECTIONS 40-3-116 AND 40-5-107. THE COMMISSION SHALL CONSIDER REVENUES FROM ELECTRIC VEHICLES IN THE UTILITY'S SERVICE TERRITORY IN EVALUATING THE RETAIL RATE IMPACT. THE RETAIL RATE IMPACT FROM THE DEVELOPMENT OF ELECTRIC VEHICLE INFRASTRUCTURE MUST NOT EXCEED ONE-HALF OF ONE PERCENT OF THE TOTAL ANNUAL REVENUE REQUIREMENTS OF THE UTILITY.

SECTION 3. In Colorado Revised Statutes, **add** 40-3-116 as follows:

40-3-116. Electric vehicle programs - rates. (1) THE RATES AND CHARGES SCHEDULE FOR SERVICES PROVIDED BY A PROGRAM CREATED UNDER SECTION 40-5-107 MAY ALLOW:

(a) A RETURN ON ANY INVESTMENT MADE UNDER SECTION 40-5-107 BY AN ELECTRIC PUBLIC UTILITY AT THE ELECTRIC PUBLIC UTILITY'S WEIGHTED AVERAGE COST OF CAPITAL, INCLUDING THE MOST RECENT RATE OF RETURN ON EQUITY, APPROVED BY THE COMMISSION, INCLUDING BY ALLOWING A UTILITY TO EARN A RATE OF RETURN ON REBATES PROVIDED TO CUSTOMERS THROUGH A TRANSPORTATION ELECTRIFICATION PROGRAM;

(b) RATE RECOVERY MECHANISMS THAT ALLOW EARLIER, AS DETERMINED BY THE COMMISSION, RECOVERY OF COSTS, INCLUDING THE USE OF RATE ADJUSTMENT CLAUSES; AND

(c) PERFORMANCE-BASED INCENTIVE RETURNS OR SIMILAR INVESTMENT INCENTIVES.

(2) BY MAY 15, 2020, AN ELECTRIC PUBLIC UTILITY SHALL SUBMIT TO THE COMMISSION A PROPOSAL FOR A SPECIFIC RATE OR RATES FOR ELECTRICITY SUPPLIED TO COMMERCIAL AND INDUSTRIAL FACILITIES USED TO CHARGE ELECTRIC VEHICLES THAT ENCOURAGE VEHICLE CHARGING AND THAT SUPPORT THE OPERATION OF THE ELECTRIC GRID.

SECTION 4. In Colorado Revised Statutes, **add** 40-5-107 as follows:

40-5-107. Electric vehicle programs - repeal. (1) (a) NO LATER THAN MAY 15, 2020, AND ON OR BEFORE MAY 15 EVERY THREE YEARS THEREAFTER, AN ELECTRIC PUBLIC UTILITY SHALL FILE WITH THE COMMISSION AN APPLICATION FOR A PROGRAM FOR REGULATED ACTIVITIES TO SUPPORT WIDESPREAD TRANSPORTATION ELECTRIFICATION WITHIN THE AREA COVERED BY THE UTILITY'S CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY.

(b) TO COMPLY WITH THIS SUBSECTION (1), AN APPLICATION MUST SEEK TO MINIMIZE OVERALL COSTS AND MAXIMIZE OVERALL BENEFITS AND MAY INCLUDE:

(I) INVESTMENTS OR INCENTIVES TO FACILITATE THE DEPLOYMENT OF CUSTOMER-OWNED OR UTILITY-OWNED CHARGING INFRASTRUCTURE, INCLUDING CHARGING FACILITIES, MAKE-READY INFRASTRUCTURE, AND ASSOCIATED ELECTRICAL EQUIPMENT THAT SUPPORT TRANSPORTATION ELECTRIFICATION;

(II) INVESTMENTS OR INCENTIVES TO FACILITATE THE ELECTRIFICATION OF PUBLIC TRANSIT AND OTHER VEHICLE FLEETS;

(III) RATE DESIGNS, OR PROGRAMS THAT ENCOURAGE VEHICLE CHARGING THAT SUPPORTS THE OPERATION OF THE ELECTRIC GRID; AND

(IV) CUSTOMER EDUCATION, OUTREACH, AND INCENTIVE PROGRAMS THAT INCREASE AWARENESS OF THE PROGRAMS AND OF THE BENEFITS OF TRANSPORTATION ELECTRIFICATION AND ENCOURAGE GREATER ADOPTION OF ELECTRIC VEHICLES.

(2) WHEN CONSIDERING TRANSPORTATION ELECTRIFICATION PROGRAMS AND DETERMINING COST RECOVERY FOR INVESTMENTS AND OTHER EXPENDITURES RELATED TO PROGRAMS PROPOSED BY AN ELECTRIC PUBLIC UTILITY UNDER SUBSECTION (1) OF THIS SECTION, THE COMMISSION SHALL CONSIDER WHETHER THE INVESTMENTS AND OTHER EXPENDITURES ARE:

(a) REASONABLY EXPECTED TO IMPROVE THE USE OF THE ELECTRIC GRID, INCLUDING IMPROVED INTEGRATION OF RENEWABLE ENERGY;

(b) REASONABLY EXPECTED TO INCREASE ACCESS TO THE USE OF ELECTRICITY AS A TRANSPORTATION FUEL;

(c) DESIGNED TO ENSURE SYSTEM SAFETY AND RELIABILITY;

(d) (I) REASONABLY EXPECTED TO CONTRIBUTE TO MEETING AIR QUALITY STANDARDS, IMPROVING AIR QUALITY IN COMMUNITIES MOST AFFECTED BY EMISSIONS FROM THE TRANSPORTATION SECTOR, AND REDUCING STATEWIDE EMISSIONS OF GREENHOUSE GASES BY FORTY PERCENT BELOW 2005 LEVELS BY 2030 AND EIGHTY PERCENT BELOW 2005 LEVELS BY 2050.

(II) THIS SUBSECTION (2)(d) IS REPEALED, EFFECTIVE JULY 1, 2031.

(e) REASONABLY EXPECTED TO STIMULATE INNOVATION, COMPETITION, AND INCREASED CONSUMER CHOICES IN ELECTRIC VEHICLE CHARGING AND RELATED INFRASTRUCTURE AND SERVICES; ATTRACT PRIVATE CAPITAL INVESTMENTS; AND UTILIZE HIGH-QUALITY JOBS AND SKILLED WORKER TRAINING PROGRAMS AS DEFINED IN SECTION 8-83-303;

(f) TRANSPARENT, INCORPORATING PUBLIC REPORTING REQUIREMENTS TO INFORM DESIGN AND COMMISSION POLICY; AND

(g) REASONABLY EXPECTED TO PROVIDE ACCESS FOR LOW-INCOME CUSTOMERS, IN THE TOTALITY OF THE UTILITY'S TRANSPORTATION ELECTRIFICATION PROGRAMS, WHICH MAY INCLUDE COMMUNITY-BASED AND MULTI-FAMILY CHARGING INFRASTRUCTURE, CAR SHARE PROGRAMS, AND ELECTRIFICATION OF PUBLIC TRANSIT, WHILE GIVING DUE CONSIDERATION TO THE AFFECT ON LOW-INCOME CUSTOMERS.

(3) (a) ELECTRIC VEHICLE INFRASTRUCTURE ELECTRICAL WORK ON THE CUSTOMER SIDE OF THE UTILITY METER, INCLUDING THE INSTALLATION OF THE CHARGING STATION APPARATUS AND RELATED HARDWARE, MUST:

(I) BE PERFORMED BY A LICENSED MASTER ELECTRICIAN, LICENSED JOURNEYMAN ELECTRICIAN, LICENSED RESIDENTIAL WIREMAN, OR PROPERLY SUPERVISED ELECTRICAL APPRENTICE AS EACH TERM IS DEFINED IN SECTION 12-23-101; AND

(II) COMPLY WITH ARTICLE 23 OF TITLE 12, INCLUDING SECTIONS 12-23-105 AND 12-23-110.5, AND ALL APPLICABLE RULES OF THE STATE ELECTRICAL BOARD.

(b) FOR ALL ELECTRIC VEHICLE INFRASTRUCTURE OR CHARGING STATIONS OWNED BY THE UTILITY, THE UTILITY SHALL USE UTILITY EMPLOYEES OR QUALIFIED CONTRACTORS IF THE CONTRACTORS' EMPLOYEES HAVE ACCESS TO AN APPRENTICESHIP PROGRAM AS DEFINED IN SECTION 8-83-303 (2). THIS APPRENTICESHIP REQUIREMENT DOES NOT APPLY TO:

(I) THE DESIGN, PLANNING, OR ENGINEERING OF THE INFRASTRUCTURE;

(II) MANAGEMENT FUNCTIONS TO OPERATE THE INFRASTRUCTURE;
OR

(III) ANY WORK INCLUDED IN A WARRANTY.

SECTION 5. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Leroy M. Garcia
PRESIDENT OF
THE SENATE

KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Marilyn Eddins
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO