First Regular Session Seventy-first General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House SENATE BILL 17-271

LLS NO. 17-1050.01 Jennifer Berman x3286

SENATE SPONSORSHIP

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Senate Committees Agriculture, Natural Resources, & Energy House Committees Agriculture, Livestock, & Natural Resources

A BILL FOR AN ACT

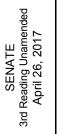
101	CONCERNING THE DEVELOPMENT OF A TRANSPARENT PROCESS BY
102	WHICH AN INVESTOR-OWNED UTILITY MAY RECOVER ACTUAL
103	COSTS FROM A PROPERTY OWNER ON WHOSE BEHALF THE
104	UTILITY HAS EXTENDED ITS SERVICE BY CONNECTING THE
105	PROPERTY OWNER'S PROPERTY TO THE UTILITY'S SERVICE.

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 <u>http://leg.colorado.gov</u>.)

The bill requires an investor-owned gas or electric utility, within 35 days after receiving an application for an extension of the utility's

HOUSE 2nd Reading Unamended May 2, 2017





service to the applicant's property, to provide the applicant with a written cost estimate and schedule of the work involved in extending the service to the applicant's property. The applicant must sign and return the cost estimate and schedule, along with payment of the estimated costs, before the utility may commence work on extending service to the applicant's property. After completion of the work, the utility is required to send the applicant an itemized statement of the actual costs of the work. If the actual costs are more than the estimated costs that the applicant paid, the applicant, within 35 days after delivery of the itemized statement of actual costs are less than the estimated costs that the applicant paid, the utility is required to refund the applicant the difference when the utility is required statement of actual costs.

The bill further establishes a procedure for adding additional properties to the service line extension and a mechanism for enforcing the procedures set forth in the bill.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add 40-5-101.5 as
3	<u>follows:</u>
4	<u>40-5-101.5. Investor-owned utilities' service extension policies</u>
5	- commission review - rules. (1) WITHIN ONE HUNDRED EIGHTY DAYS
6	AFTER THE EFFECTIVE DATE OF THIS SECTION, THE COMMISSION SHALL
7	OPEN A NONADJUDICATORY PROCEEDING TO EVALUATE INVESTOR-OWNED
8	UTILITIES' CURRENT SERVICE EXTENSION POLICIES FOR SERVING NEW LOAD
9	APPLICATIONS; EXCEPT THAT GAS-ONLY, INVESTOR-OWNED UTILITIES ARE
10	NOT SUBJECT TO THE COMMISSION'S NONADJUDICATORY PROCEEDING.
11	BASED ON THE COMMISSION'S EVALUATION, THE COMMISSION SHALL ISSUE
12	A DECISION CONTAINING RECOMMENDATIONS TO INVESTOR-OWNED
13	UTILITIES FOR POTENTIAL IMPLEMENTATION.
14	(2) IN THE COMMISSION'S NONADJUDICATORY PROCEEDING, THE
15	COMMISSION SHALL CONSIDER, WITHOUT LIMITATION, THE FOLLOWING
16	INFORMATION FROM INVESTOR-OWNED UTILITIES:

1	(a) The utilities' general load extension procedures used
2	BY THE UTILITY AND REQUESTING CUSTOMERS, INCLUDING:
3	(I) THE USE OF CONSTRUCTION AGREEMENTS, REVENUE
4	ASSURANCE AGREEMENTS, ASSIGNMENT OF ESTIMATED COSTS,
5	PREDEVELOPMENT SYSTEM INVESTMENT PROTOCOLS, AND OPTIONS FOR
6	COST AND SCHEDULE TRANSPARENCY; AND
7	(II) POTENTIAL SYSTEM AUTOMATION BENEFITS TO ENHANCE
8	CLARITY OF THE REQUIREMENTS AND PROCESS;
9	(b) EQUITABLE ALLOCATION OF COSTS ASSOCIATED WITH AN
10	EXTENSION OF FACILITIES AND ANY OTHER FACTORS AFFECTING THE COST
11	OF AN EXTENSION OF FACILITIES; AND
12	(c) VARIABLES THAT AFFECT TIME LINES FOR CONSTRUCTION AND
13	IMPLEMENTATION OF AN EXTENSION OF FACILITIES.
14	(3) WITHIN NINETY DAYS AFTER THE CONCLUSION OF THE
15	NONADJUDICATORY PROCEEDING, THE COMMISSION MAY PROMULGATE
16	RULES CONSISTENT WITH THE FINDINGS OF THE NONADJUDICATORY
17	PROCEEDING.
18	SECTION 2. Act subject to petition - effective date. This act
19	takes effect at 12:01 a.m. on the day following the expiration of the
20	ninety-day period after final adjournment of the general assembly (August
21	9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
22	referendum petition is filed pursuant to section 1 (3) of article V of the
23	state constitution against this act or an item, section, or part of this act
24	within such period, then the act, item, section, or part will not take effect
25	unless approved by the people at the general election to be held in
26	November 2018 and, in such case, will take effect on the date of the
27	official declaration of the vote thereon by the governor.