# First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

### **ENGROSSED**

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

LLS NO. 25-0876.01 Rebecca Bayetti x4348

**HOUSE BILL 25-1292** 

### **HOUSE SPONSORSHIP**

Boesenecker and Joseph,

### SENATE SPONSORSHIP

Winter F.,

#### **House Committees**

#### **Senate Committees**

Transportation, Housing & Local Government Finance Appropriations

### A BILL FOR AN ACT

101	CONCERNING THE PROCESS TO ALLOW A TRANSMISSION DEVELOPER
102	TO LOCATE HIGH VOLTAGE TRANSMISSION LINES WITHIN A
103	STATE HIGHWAY RIGHT-OF-WAY.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill allows a transmission developer to locate high voltage transmission lines within a state highway right-of-way, according to a process developed by rule by the department of transportation (department). The department may impose surcharges on a transmission developer for its co-location of high voltage lines in a state highway

right-of-way, including a one-time surcharge to cover the costs of a permit for the use of the state highway right-of-way and an annual use surcharge. Upon the request of a transmission developer, the department is required to provide to the transmission developer the best available information on potential future state highway development projects that could impact the placement of a high voltage line within a state highway right-of-way. In assessing potential sites for the placement of high voltage lines, a transmission developer is required to consider development sites in the following order of priority: First, existing utility corridors; second, state highway rights-of-way; and last, new utility corridors.

The bill also requires the Colorado energy office and the Colorado electric transmission authority, through a public-private partnership and in collaboration with the department, the Colorado public utilities commission, and other state agencies, to study state highway corridors to identify potential corridors that may be suitable for high voltage transmission line development.

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) Colorado will need to expand electric transmission to meet its clean energy and greenhouse gas reduction targets and reliability and affordability obligations;
- (b) It is the policy of the state that high voltage transmission lines may be constructed or maintained within the access control lines of highway, freeway, and interstate highway rights-of-way unless the executive director of the Colorado department of transportation, consulting with appropriate state agencies, disapproves of this co-location to protect public safety, communities, and wildlife habitat, crossings, and migratory corridors or to ensure the proper functioning of a state highway, freeway, or interstate highway. If the installation is on an interstate highway, the express approval of the federal highway administration is required and the project may be required to undergo the

-2- 1292

1	review process required by the federal "National Environmental Policy
2	Act of 1969", 42 U.S.C. sec. 4321, et seq.
3	(c) Co-locating transmission lines along highways can
4	significantly reduce impacts on wildlife and habitat compared to building
5	new lines through greenfield areas. The impacts on communities,
6	including disproportionately impacted communities, must be evaluated
7	and mitigated through the use of approaches like those outlined in the
8	Colorado electric transmission authority's 2024 "Principles of Community
9	Engagement" and the Colorado environmental justice action task force's
10	2022 "Final Report of Recommendations".
11	SECTION 2. In Colorado Revised Statutes, add 43-1-228 as
12	follows:
13	43-1-228. High voltage lines in state highway right-of-way -
14	development projects and priorities - surcharge - study - rules -
15	definitions. (1) Definitions. As used in this section, unless the
16	CONTEXT OTHERWISE REQUIRES:
17	(a) "High voltage line" means any line for the
18	TRANSMISSION OF ELECTRIC CURRENT WITH A NOMINAL VOLTAGE IN
19	EXCESS OF SIXTY-NINE KILOVOLTS THAT IS CO-LOCATED LONGITUDINALLY
20	IN A STATE HIGHWAY RIGHT-OF-WAY, AND ALL SUPPORTING STRUCTURES
21	AND ACCESSORIES NECESSARY FOR SUCH LINE. "HIGH VOLTAGE LINE"
22	DOES NOT INCLUDE ANY LINE FOR THE TRANSMISSION OF ELECTRIC
23	CURRENT THAT CROSSES A STATE HIGHWAY RIGHT-OF-WAY.
24	(b) "RULE" HAS THE SAME MEANING AS SET FORTH IN SECTION
25	24-4-102 (15).
26	(c) "STATE HIGHWAY" MEANS ANY HIGHWAY OWNED,
27	CONTROLLED, OR MAINTAINED BY THE STATE, INCLUDING FEDERAL-AID

-3-

1	PRIMARY OR SECONDARY SYSTEMS OR THE INTERSTATE SYSTEM. "STATE
2	HIGHWAY" DOES NOT INCLUDE A PUBLIC HIGHWAY OPERATED BY A PUBLIC
3	HIGHWAY AUTHORITY IN ACCORDANCE WITH THE "PUBLIC HIGHWAY
4	AUTHORITY LAW", PART 5 OF ARTICLE 4 OF THIS TITLE 43.
5	(d) "Transmission developer" means:
6	(I) A TRANSMISSION UTILITY, AS DEFINED IN SECTION 40-5-108
7	(1)(b);
8	(II) THE COLORADO ELECTRIC TRANSMISSION AUTHORITY
9	CREATED IN SECTION 40-42-103;
10	(III) A GENERATION AND TRANSMISSION COOPERATIVE OR
11	ASSOCIATION;
12	(IV) AN INDEPENDENT TRANSMISSION DEVELOPER, WHICH IS AN
13	ENTITY NOT OWNED BY A PUBLIC OR INVESTOR-OWNED UTILITY AND
14	WHICH DEVELOPS TRANSMISSION LINES AND INFRASTRUCTURE; AND
15	(V) ANY OF THE FOLLOWING ENTITIES THAT HAVE VOTED TO
16	EXEMPT THEMSELVES FROM THE "PUBLIC UTILITIES LAW", ARTICLES 1 TO
17	7 of title 40, pursuant to section 40-9.5-103:
18	(A) A MUNICIPALLY OWNED UTILITY;
19	(B) A POWER AUTHORITY ESTABLISHED PURSUANT TO SECTION
20	29-1-204 (1); OR
21	(C) A COOPERATIVE ELECTRIC ASSOCIATION, AS DEFINED IN
22	SECTION 40-9.5-102 (1).
23	(2) State highway high voltage line co-location projects.
24	(a) (I) Upon the request of a transmission developer, the
25	DEPARTMENT SHALL PROVIDE TO THE TRANSMISSION DEVELOPER THE BEST
26	AVAILABLE INFORMATION ON POTENTIAL FUTURE STATE HIGHWAY
27	DEVELOPMENT PROJECTS, AS INCLUDED IN THE STATEWIDE

-4- 1292

1	TRANSPORTATION PLAN, THAT COULD IMPACT THE PLACEMENT OF A HIGH
2	VOLTAGE LINE WITHIN A STATE HIGHWAY RIGHT-OF-WAY.
3	(II) THE DEPARTMENT SHALL PROCESS SUCH A REQUEST FOR
4	INFORMATION IN THE ORDER THAT IT WAS RECEIVED, IN ACCORDANCE
5	WITH THE DEPARTMENT'S SPECIAL USE PERMITTING PROCESS.
6	(b) (I) IF THE DEPARTMENT AND A TRANSMISSION DEVELOPER
7	AGREE THAT AN IDENTIFIED SITE MAY BE SUITABLE FOR DEVELOPMENT OR
8	CONSTRUCTION OF A HIGH VOLTAGE LINE WITHIN A STATE HIGHWAY
9	RIGHT-OF-WAY, THE DEPARTMENT SHALL DEVELOP A PRECONSTRUCTION
10	PLAN REVIEW SCHEDULE THAT INCLUDES ALL APPLICABLE SECTIONS OF
11	THE STATE HIGHWAY UTILITY ACCOMMODATION CODE, 2 CCR 601-18, or
12	ANY SUCCESSOR CODE.
13	(II) UPON APPROVAL OF THE PRECONSTRUCTION REQUIREMENTS
14	OUTLINED IN A PRECONSTRUCTION PLAN, THE TRANSMISSION DEVELOPER
15	SHALL PROVIDE A CONSTRUCTABILITY, ACCESS, AND MAINTENANCE
16	REPORT TO BE UTILIZED WHEN TRANSMISSION LINE CO-LOCATION PROJECTS
17	IN A STATE HIGHWAY RIGHT-OF-WAY ARE BEING PLANNED AND APPROVED.
18	THE CONSTRUCTABILITY, ACCESS, AND MAINTENANCE REPORT MUST
19	OUTLINE MITIGATION STRATEGIES NEEDED TO EFFECTIVELY AVOID OR
20	ADDRESS POTENTIAL TRANSMISSION LINE IMPACTS TO COMMUNITIES,
21	INCLUDING DISPROPORTIONATELY IMPACTED COMMUNITIES, AND TO
22	HABITATS, WILDLIFE, AND WILDLIFE CROSSINGS.
23	(III) A CONSTRUCTABILITY, ACCESS, AND MAINTENANCE REPORT
24	MUST BE APPROVED BY THE DEPARTMENT BEFORE THE DEPARTMENT
25	ISSUES A PERMIT FOR THE USE OF A STATE HIGHWAY RIGHT-OF-WAY.
26	(c) ALL WORK PERFORMED UNDER A CONTRACT FOR THE LOCATION
27	OF A HIGH VOLTAGE LINE WITHIN A STATE HIGHWAY RIGHT-OF-WAY, AS

-5- 1292

1	ALLOWED PURSUANT TO THIS SECTION, THAT IS AN ENERGY SECTOR PUBLIC
2	WORKS PROJECT, AS DEFINED IN SECTION 24-92-303 (5)(a), MUST COMPLY
3	WITH THE REQUIREMENTS OF SECTION 24-92-115 (7) AND PART 2 OF
4	ARTICLE 92 OF TITLE 24. ANY CONTRACTOR HIRED TO PERFORM SUCH
5	WORK SHALL COMPLY WITH THE STANDARDS DESCRIBED IN SECTION
6	40-42-107.
7	(d) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
8	CONTRARY, A TRANSMISSION DEVELOPER SEEKING TO LOCATE A HIGH
9	VOLTAGE LINE WITHIN A STATE HIGHWAY RIGHT-OF-WAY WITHIN THE
10	EXTERIOR BOUNDARIES OF AN INDIAN RESERVATION SHALL FIRST OBTAIN
11	WRITTEN CONSENT OF THE APPLICABLE TRIBAL GOVERNMENT.
12	(3) High voltage line or facility site priorities - reports.
13	(a) BEGINNING ON JANUARY 1, 2027, WITHIN THIRTY CALENDAR DAYS OF
14	FILING FOR A LOCAL PERMIT FOR THE CONSTRUCTION OR DEVELOPMENT OF
15	HIGH VOLTAGE LINES OR FACILITIES NECESSARY FOR HIGH VOLTAGE
16	TRANSMISSION, A TRANSMISSION DEVELOPER SHALL MAKE AVAILABLE ON
17	A PUBLIC-FACING PROJECT WEBSITE OR UTILITY WEBSITE A REPORT THAT:
18	(I) DESCRIBES THE ANALYSIS UNDERTAKEN FOR ROUTE SELECTION;
19	(II) DEMONSTRATES THAT THE TRANSMISSION DEVELOPER
20	CONSIDERED OR IS CONSIDERING DEVELOPMENT SITES IN THE FOLLOWING
21	ORDER OF PRIORITY:
22	(A) FIRST, EXISTING UTILITY CORRIDORS, WHERE ADDING NEW
23	LINES OR MAKING IMPROVEMENTS TO EXISTING LINES CAN ACHIEVE
24	EXPANDED ELECTRIC CAPACITY AT THE LOWEST POSSIBLE COST;
25	(B) SECOND, STATE HIGHWAY RIGHTS-OF-WAY; AND
26	(C) LAST, NEW UTILITY CORRIDORS; AND
27	(III) INCLUDES AN EVALUATION OF THE ECONOMIC IMPACTS,

-6- 1292

1	ENGINEERING CONSIDERATIONS, AND RELIABILITY OF THE ELECTRIC
2	SYSTEM.
3	(b) A TRANSMISSION DEVELOPER SHALL UPDATE THE REPORT
4	DESCRIBED IN SUBSECTION $(3)(a)$ OF THIS SECTION IF THE TRANSMISSION
5	DEVELOPER MATERIALLY CHANGES THE TRANSMISSION ROUTE BEYOND
6	MINOR ROUTE ADJUSTMENTS AND SHALL MAKE THE UPDATED REPORT
7	AVAILABLE ON THE SAME PUBLIC-FACING PROJECT WEBSITE OR UTILITY
8	WEBSITE.
9	(c) Nothing in this subsection (3) requires a transmission
10	DEVELOPER TO SELECT AN EXISTING UTILITY CORRIDOR OR A STATE
11	HIGHWAY RIGHT-OF-WAY FOR DEVELOPMENT OF HIGH VOLTAGE LINES OR
12	FACILITIES.
13	(d) THE FAILURE OF A TRANSMISSION DEVELOPER TO COMPLY WITH
14	THIS SUBSECTION (3) DOES NOT:
15	(I) CREATE A CAUSE OF ACTION FOR A CIVIL SUIT SEEKING
16	MONETARY DAMAGES OR INJUNCTIVE RELIEF; AND
17	(II) CONSTITUTE A LEGAL BASIS FOR A GOVERNMENTAL ENTITY TO
18	DENY A PERMIT OR WITHHOLD OTHER APPROVAL FOR A HIGH VOLTAGE
19	LINE.
20	(4) Compensation to department for right-of-way access.
21	(a) (I) A TRANSMISSION DEVELOPER SHALL COMPENSATE THE
22	DEPARTMENT FOR ITS CO-LOCATION OF HIGH VOLTAGE LINES IN A STATE
23	HIGHWAY RIGHT-OF-WAY. A TRANSMISSION DEVELOPER MAY
24	COMPENSATE THE DEPARTMENT THROUGH SURCHARGES AS PROVIDED IN
25	SUBSECTION (4)(b) OF THIS SECTION OR THROUGH A PUBLIC-PRIVATE
26	INITIATIVE AS PROVIDED IN SUBSECTION $(4)(c)$ OF THIS SECTION.
2.7	(II) THE SURCHARGES FOR A TRANSMISSION DEVELOPER'S USE OF

-7- 1292

1	A STATE HIGHWAY RIGHT-OF-WAY IS AN ALTERNATIVE METHOD TO
2	COMPENSATING THE STATE THROUGH IN-KIND INFRASTRUCTURE
3	EXCHANGE IN A PUBLIC-PRIVATE INITIATIVE, AS DEFINED IN SECTION
4	43-1-1201 (3). THE ENTITY REQUESTING ACCESS TO THE RIGHT-OF-WAY
5	HAS THE DISCRETION TO CHOOSE WHICH PROCESS IT WILL USE TO
6	COMPENSATE THE STATE FOR ITS USE OF THE RIGHT-OF-WAY.
7	(III) A TRANSMISSION DEVELOPER MAY ENTER INTO A
8	PUBLIC-PRIVATE INITIATIVE TO COMPENSATE THE DEPARTMENT FOR
9	ACCESS TO THE STATE HIGHWAY RIGHT-OF-WAY AFTER RULEMAKING
10	PURSUANT TO SUBSECTION $(6)$ OF THIS SECTION IS COMPLETE. THE OPTION
11	TO COMPENSATE THE DEPARTMENT FOR ACCESS TO THE STATE HIGHWAY
12	RIGHT-OF-WAY BY PAYING SURCHARGES IS AVAILABLE BEGINNING ON
13	JULY 1, 2027.
14	(b) The department may impose surcharges on a
15	TRANSMISSION DEVELOPER FOR ITS ACCESS TO A STATE HIGHWAY
16	RIGHT-OF-WAY, INCLUDING A ONE-TIME SURCHARGE TO COVER THE COSTS
17	OF A PERMIT FOR THE USE OF THE RIGHT-OF-WAY AND AN ANNUAL USE
18	SURCHARGE FOR THE USE OF THE RIGHT-OF-WAY. THE DEPARTMENT SHALL
19	ESTABLISH THE SURCHARGES BY RULE PURSUANT TO SUBSECTION
20	(6)(b)(IV) of this section.
21	(c) A TRANSMISSION DEVELOPER MAY COMPENSATE THE
22	DEPARTMENT FOR ITS ACCESS TO A STATE HIGHWAY RIGHT-OF-WAY
23	THROUGH IN-KIND INFRASTRUCTURE EXCHANGE IN A PUBLIC-PRIVATE
24	INITIATIVE, AS DEFINED IN SECTION 43-1-1201 (3).
25	(5) State highway corridor study - report. (a) THROUGH A
26	PUBLIC-PRIVATE PARTNERSHIP, WHERE FUNDING IS PROVIDED BY PRIVATE
27	PARTNERS, THE COLORADO ELECTRIC TRANSMISSION AUTHORITY

-8-

1	CREATED IN SECTION 40-42-103, IN COLLABORATION WITH THE
2	DEPARTMENT, THE COLORADO ENERGY OFFICE CREATED IN SECTION
3	24-38.5-101, THE COLORADO PUBLIC UTILITIES COMMISSION CREATED IN
4	SECTION 40-2-101, AND OTHER STATE AGENCIES, INCLUDING THE DIVISION
5	OF PARKS AND WILDLIFE IN THE DEPARTMENT OF NATURAL RESOURCES
6	CREATED IN SECTION 33-9-104, SHALL STUDY STATE HIGHWAY CORRIDORS
7	TO IDENTIFY POTENTIAL CORRIDORS THAT MAY BE SUITABLE FOR HIGH
8	VOLTAGE TRANSMISSION LINE DEVELOPMENT. THE STUDY MUST IDENTIFY
9	ALL PRIVATE ENTITIES PROVIDING FUNDING.
10	(b) THE COLORADO ENERGY OFFICE AND THE COLORADO ELECTRIC
11	TRANSMISSION AUTHORITY SHALL COMPLETE THE STUDY REQUIRED BY
12	THIS SUBSECTION $(5)$ NO LATER THAN EIGHTEEN MONTHS AFTER THE DATE
13	THAT FUNDING IS SECURED FROM PRIVATE PARTNERS.
14	(c) THE COLORADO ENERGY OFFICE AND THE COLORADO ELECTRIC
15	TRANSMISSION AUTHORITY SHALL PUBLISH A REPORT ON THE FINDINGS OF
16	THE STUDY REQUIRED BY THIS SUBSECTION (5) ON THEIR WEBSITES AND
17	SHALL SHARE THE REPORT WITH THE DEPARTMENT, THE COLORADO PUBLIC
18	UTILITIES COMMISSION, THE DIVISION OF PARKS AND WILDLIFE IN THE
19	DEPARTMENT OF NATURAL RESOURCES CREATED IN SECTION 33-9-104,
20	AND, AS APPROPRIATE, OTHER STATE AGENCIES.
21	(6) Rules. (a) The department shall update its rules
22	CONCERNING ACCESS TO STATE HIGHWAY RIGHTS-OF-WAY TO
23	ACCOMMODATE HIGH VOLTAGE LINES PURSUANT TO THE STATE HIGHWAY
24	UTILITY ACCOMMODATION CODE, 2 CCR 601-18, OR ANY SUCCESSOR
25	CODE.
26	(b) The executive director shall adopt rules as necessary

TO IMPLEMENT THIS SECTION. THE RULES MUST:

27

-9- 1292

1	(I) CLARIFY THAT LONGITUDINAL HIGH VOLTAGE LINES MAY BE
2	PERMITTED IN STATE HIGHWAY RIGHTS-OF-WAY IF IDENTIFIED CRITERIA
3	ARE MET;
4	(II) CREATE A PROCESS THROUGH WHICH A TRANSMISSION
5	DEVELOPER MUST SUBMIT A REQUEST TO THE DEPARTMENT FOR A PERMIT
6	FOR THE USE OF A STATE HIGHWAY RIGHT-OF-WAY TO CONSTRUCT A HIGH
7	VOLTAGE LINE;
8	(III) ESTABLISH THE PROCESS FOR THE DENIAL OF A PERMIT
9	REQUEST SUBMITTED BY A TRANSMISSION DEVELOPER FOR A HIGH
10	VOLTAGE LINE IF THE PROPOSED PROJECT PRESENTS A RISK TO PUBLIC
11	SAFETY OR PREVENTS THE PROPER FUNCTIONING OF THE STATE HIGHWAY;
12	AND
13	(IV) SET THE SURCHARGES FOR A TRANSMISSION DEVELOPER'S
14	ACCESS TO A STATE HIGHWAY RIGHT-OF-WAY, AS DESCRIBED IN
15	SUBSECTION (4) OF THIS SECTION, AS FOLLOWS:
16	(A) SURCHARGES MUST BE PAID AT A RATE OF SIX HUNDRED
17	DOLLARS PER MILE;
18	(B) SURCHARGES COVER A TWENTY-YEAR ACCESS TERM AND MAY
19	BE PAID AS A LUMP SUM ONE-TIME PAYMENT OF TWELVE THOUSAND
20	DOLLARS PER MILE OR AS AN ANNUAL PAYMENT OF SIX HUNDRED DOLLARS
21	PER MILE FOR EACH YEAR OF THE TWENTY-YEAR ACCESS TERM;
22	(C) Beginning on July 1, 2028, and on every July 1
23	THEREAFTER, THE DEPARTMENT MAY ADJUST THE AMOUNT OF THE
24	DOLLAR-PER-MILE SURCHARGE FOR INFLATION IN ACCORDANCE WITH THE
25	AVERAGE ANNUAL PERCENTAGE CHANGE IN THE UNITED STATES
26	DEPARTMENT OF TRANSPORTATION, FEDERAL HIGHWAY ADMINISTRATION,
27	NATIONAL HIGHWAY CONSTRUCTION COST INDEX OR ITS APPLICABLE

-10-

1	PREDECESSOR OR SUCCESSOR INDEX FOR THE FIVE-YEAR PERIOD ENDING
2	ON THE LAST DECEMBER 31 BEFORE A STATE FISCAL YEAR FOR WHICH AN
3	INFLATION ADJUSTMENT TO THE SURCHARGE IS MADE TO BEGIN;
4	(D) THE TWENTY-YEAR ACCESS TERM COVERED BY THE
5	SURCHARGES MAY BE RENEWED EVERY TWENTY YEARS; AND
6	(E) THE DEPARTMENT SHALL ESTABLISH PRORATED SURCHARGES
7	FOR HIGH VOLTAGE LINE TRANSMISSION DEVELOPMENT PROJECTS WITH
8	INSTALLATIONS OF LESS THAN THREE HUNDRED FEET.
9	(c) THE DEPARTMENT SHALL UPDATE ITS RULES AS REQUIRED BY
10	SUBSECTION (6)(a) OF THIS SECTION AND ADOPT THE RULES REQUIRED BY
11	Subsection (6)(b) of this section no later than January 1, 2027.
12	SECTION 3. In Colorado Revised Statutes, 12-10-602, amend
13	(9)(b)(VI) as follows:
14	12-10-602. <b>Definitions.</b> As used in this part 6, unless the context
15	otherwise requires:
16	(9) (b) "Real estate appraiser" or "appraiser" does not include:
17	(VI) A right-of-way acquisition agent, an appraiser who is
18	licensed and certified pursuant to this part 6, or any other individual who
19	has sufficient understanding of the local real estate market to be qualified
20	to make a waiver valuation when the agent, appraiser, or other qualified
21	individual is employed by or contracts with a public entity and provides
22	an opinion of value that is not represented as an appraisal and when, for
23	any purpose, the property or portion of property being valued is valued at
24	twenty-five thousand dollars or less, as NOT MORE THAN THE SPECIFIED
25	AMOUNT permitted by federal law and 49 CFR 24.102 (c)(2), as amended;
26	SECTION 4. Act subject to petition - effective date. This act
2.7	takes effect at 12:01 a.m. on the day following the expiration of the

-11- 1292

- 1 ninety-day period after final adjournment of the general assembly; except
- 2 that, if a referendum petition is filed pursuant to section 1 (3) of article V
- 3 of the state constitution against this act or an item, section, or part of this
- 4 act within such period, then the act, item, section, or part will not take
- 5 effect unless approved by the people at the general election to be held in
- 6 November 2026 and, in such case, will take effect on the date of the
- 7 official declaration of the vote thereon by the governor.

-12-