First Regular Session Seventy-third General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 21-0137.01 Jennifer Berman x3286

HOUSE BILL 21-1105

HOUSE SPONSORSHIP

Kennedy,

SENATE SPONSORSHIP

Hansen,

House Committees

Senate Committees

Finance Appropriations

A BILL FOR AN ACT

101 CONCERNING UTILITY CUSTOMERS' FINANCIAL CONTRIBUTIONS FOR 102 LOW-INCOME UTILITY ASSISTANCE.

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 http://leg.colorado.gov.)

Section 1 of the bill removes the low-income energy assistance program administered by Energy Outreach Colorado (EOC) from the grant program reserve funded by tier 2 severance tax operational fund money.

Section 2 clarifies that the definition of a "low-income utility customer", with regard to the public utilities commission's (PUC)

consideration of a preference or advantage that a gas or electric utility grants a low-income utility customer, means a utility customer who meets the Colorado department of human services' income eligibility criteria.

Sections 3 and 4 make modifications to the legislative commission on low-income energy assistance, wherein section 3 expands the commission's scope to include water utility assistance and section 4 reduces the composition of the commission from 11 members to 7 members. Section 4 also requires the commission to:

- Advise the Colorado energy office (office) on grants awarded from the federal department of energy regarding the office's weatherization assistance program;
- Advise water utilities that provide their customers with utility assistance and efficiency programs; and
- Review EOC's annual budget that it submits to the PUC regarding the use of funding for utility bill payment assistance.

Sections 5, 6, and 8 to 10 concern the creation of an energy assistance system benefit charge, which is a mandatory monthly charge that investor-owned electric and gas utilities are required to collect from their customers. The initial amount of the charge per customer is \$1 for electric service provided and \$1 for natural gas service provided, but the PUC may adopt rules to modify the amount of the charge, so long as the charge is at least \$1 per service provided. Investor-owned utilities are required to remit the charges collected to EOC to help finance the direct utility bill payment assistance and energy retrofit programs that EOC administers for low-income households.

Sections 7 and 11 concern voluntary, opt-in charges that a water utility may offer its customers to help finance the water utility bill payment assistance program that EOC administers. Alternatively, a water utility may implement its own water utility bill payment assistance program.

Section 12 requires EOC and the office, when installing energy retrofits for low-income households, to prioritize customer savings, emission reductions, and improving indoor air quality.

Section 13 governs reporting requirements for EOC regarding the mandatory monthly energy assistance system benefit charge and voluntary, opt-in monthly water utility bill payment assistance collections.

Sections 14 to 17 make conforming amendments.

- 1 Be it enacted by the General Assembly of the State of Colorado:
- SECTION 1. In Colorado Revised Statutes, add 26-2-307 as
- follows:

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1	26-2-307. Fuel assistance payments - eligibility for federal
2	standard utility allowance - supplemental utility assistance fund
3	created - definitions. (1) (a) ON OR BEFORE OCTOBER 1, 2023, THE
4	STATE DEPARTMENT SHALL IMPLEMENT A PROGRAM TO ADMINISTER THE
5	SUPPLEMENTAL UTILITY ASSISTANCE FUND CREATED IN SUBSECTION $(2)(a)$
6	OF THIS SECTION FOR DISTRIBUTION OF FUEL ASSISTANCE PAYMENTS TO
7	HOUSEHOLDS RECEIVING SUPPLEMENTAL NUTRITION ASSISTANCE
8	PROGRAM BENEFITS.
9	(b) THE STATE DEPARTMENT SHALL MAKE FUEL ASSISTANCE
10	PAYMENTS TO ELIGIBLE HOUSEHOLDS IN THE STATE THAT RECEIVE
11	BENEFITS UNDER THE FEDERAL SUPPLEMENTAL NUTRITION ASSISTANCE
12	PROGRAM TO ENSURE THAT THOSE HOUSEHOLDS QUALIFY FOR THE
13	FEDERAL HEATING AND COOLING STANDARD UTILITY ALLOWANCE.
14	(c) THE STATE DEPARTMENT SHALL MAKE THE FUEL ASSISTANCE
15	PAYMENTS IN AMOUNTS REFLECTED IN THE BUDGET THAT THE
16	ORGANIZATION PREPARES PURSUANT TO SECTION $40-8.7-108(3)$ AND THAT
17	THE COMMISSION APPROVES PURSUANT TO SECTION $40-8.5-103.5$ (6)(c).
18	(2) (a) THE SUPPLEMENTAL UTILITY ASSISTANCE FUND, REFERRED
19	TO IN THIS SUBSECTION (2) AS THE "FUND", IS HEREBY CREATED IN THE
20	STATE TREASURY. THE FUND CONSISTS OF MONEY CREDITED TO THE FUND
21	PURSUANT TO SECTION $40-8.7-108$ (2)(b) AND ANY OTHER MONEY THAT
22	THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.
23	(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
24	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
25	FUND TO THE FUND.
26	(c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
27	STATE DEPARTMENT FOR USE IN ACCORDANCE WITH SUBSECTION (1) OF

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1	THIS SECTION.
2	(3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
3	REQUIRES:
4	(a) "COMMISSION" MEANS THE LEGISLATIVE COMMISSION ON
5	LOW-INCOME ENERGY AND WATER ASSISTANCE CREATED IN SECTION
6	40-8.5-103.5 (1).
7	(b) "HEATING AND COOLING STANDARD UTILITY ALLOWANCE" IS
8	A STANDARD UTILITY ALLOWANCE AUTHORIZED IN THE FEDERAL
9	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM REGULATIONS
10	PROMULGATED BY THE FOOD AND NUTRITION SERVICE IN THE $\overline{\text{U}}$ NITED
11	STATES DEPARTMENT OF AGRICULTURE.
12	(c) "ORGANIZATION" HAS THE MEANING SET FORTH IN SECTION
13	40-8.7-103 (4).
14	SECTION 2. In Colorado Revised Statutes, 39-29-109.3, repeal
15	(2)(f) as follows:
16	39-29-109.3. Severance tax operational fund - core reserve -
17	grant program reserve - definitions - repeal. (2) Subject to the
18	requirements of subsections (3) and (3.5) of this section, if the general
19	assembly chooses not to spend up to one hundred percent of the money
20	in the operational fund on core departmental programs, the state treasurer
21	shall transfer the following amounts:
22	(f) For providing energy-related assistance to low-income
23	households as specified in section 40-8.7-112:
24	(I) to (IV) Repealed.
25	(V) (A) For the state fiscal year commencing July 1, 2012, and
26	each state fiscal year thereafter, through the state fiscal year commencing
27	July 1, 2023, thirteen million dollars as follows: Twenty-five percent to

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1	the department of numan services low-income energy assistance rund
2	created in section 40-8.7-112 (1); twenty-five percent to the energy
3	outreach Colorado low-income energy assistance fund created in section
4	40-8.7-112 (2)(a); and fifty percent to the Colorado energy office
5	low-income energy assistance fund created in section 40-8.7-112 (3)(a).
6	(B) This subsection (2)(f)(V) is repealed, effective July 1, 2025.
7	SECTION 3. In Colorado Revised Statutes, 40-3-106, amend
8	(1)(d)(II) as follows:
9	40-3-106. Advantages prohibited - graduated schedules -
10	consideration of household income and other factors - definitions.
11	(1) (d) (II) As used in this paragraph (d) SUBSECTION (1)(d), a
12	"low-income utility customer" means a utility customer who:
13	(A) Has a household income at or below one hundred eighty-five
14	percent of the current federal poverty line; and OR
15	(B) Otherwise meets the INCOME eligibility criteria set forth in
16	rules of the department of human services adopted pursuant to section
17	40-8.5-105.
18	SECTION 4. In Colorado Revised Statutes, 40-8.5-103, amend
19	the introductory portion and (1); and add (4.5) as follows:
20	40-8.5-103. Definitions. As used in this article ARTICLE 8.5,
21	unless the context otherwise requires:
22	(1) "Commission" means the legislative commission on
23	low-income energy AND WATER assistance, established in section
24	40-8.5-103.5.
25	(4.5) "Organization" has the meaning set forth in section
26	40-8.7-103 (4).
2.7	SECTION 5. In Colorado Revised Statutes, amend 40-8.5-103.5

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1	as follows:
2	40-8.5-103.5. Commission created - duties - repeal. (1) There
3	is created the legislative commission on low-income energy AND WATER
4	assistance IN THE COLORADO ENERGY OFFICE. THE COLORADO ENERGY
5	OFFICE SHALL STAFF THE COMMISSION AS NEEDED.
6	(2) (a) THROUGH APRIL 30, 2022, the commission is composed of
7	eleven members appointed by the governor, each to serve a term of two
8	years; except that the governor shall select seven of the initially appointed
9	members to serve for one-year terms. Of the eleven members, five
10	members must be from private sector energy-related enterprises, one
11	member must be the director of the low-income energy assistance
12	program in the state department of human services, one member must be
13	from the Colorado energy office, two members must be consumers who
14	are low-income energy assistance recipients, and two members must be
15	from the general public. Any interim appointment necessary to fill a
16	vacancy that has occurred by any reason other than expiration of term is
17	for the remainder of the term of the individual member whose office has
18	become vacant.
19	(b) This subsection (2) is repealed, effective May 1, 2022.
20	$(3) (a) (I) \ Beginning May 1, 2022, the commission is composed$
21	OF SEVEN MEMBERS INCLUDING:
22	(A) A REPRESENTATIVE OF THE DEPARTMENT OF HUMAN SERVICES
23	CREATED IN SECTION 26-1-105;
24	(B) A REPRESENTATIVE OF THE COLORADO ENERGY OFFICE
25	CREATED IN SECTION 24-38.5-101;
26	(C) A REPRESENTATIVE OF THE ORGANIZATION; AND
27	(D) FOUR MEMBERS APPOINTED BY THE GOVERNOR, EACH TO

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2	SELECT TWO OF THE INITIALLY APPOINTED MEMBERS TO SERVE A
3	TWO-YEAR TERM.
4	(II) THE GOVERNOR SHALL MAKE INITIAL APPOINTMENTS TO THE
5	COMMISSION PURSUANT TO THIS SUBSECTION (3)(a) ON OR BEFORE APRIL
6	30,2022, for terms starting on May $1,2022$.
7	(b) OF THE FOUR MEMBERS APPOINTED BY THE GOVERNOR:
8	(I) ONE MEMBER MUST HAVE RECEIVED LOW-INCOME ENERGY
9	ASSISTANCE OR REPRESENT AN ENTITY THAT SERVES A POPULATION
10	ELIGIBLE FOR LOW-INCOME ENERGY ASSISTANCE;
11	(II) ONE MEMBER MUST REPRESENT AN ELECTRIC UTILITY OR A
12	COMBINED ELECTRIC AND NATURAL GAS UTILITY;
13	(III) ONE MEMBER MUST REPRESENT A NATURAL GAS UTILITY OR
14	A COMBINED ELECTRIC AND NATURAL GAS UTILITY; AND
15	(IV) ONE MEMBER MUST REPRESENT A WATER UTILITY.
16	(c) ANY INTERIM APPOINTMENT NECESSARY TO FILL A VACANCY
17	THAT HAS OCCURRED BY ANY REASON OTHER THAN EXPIRATION OF TERM
18	IS FOR THE REMAINDER OF THE TERM OF THE INDIVIDUAL MEMBER WHOSE
19	OFFICE HAS BECOME VACANT.
20	(d) In the event of a tie vote of the commission, the matter
21	BEING VOTED UPON FAILS.
22	(2) (4) The governor may remove any APPOINTED commission
23	member for cause, which shall include but need not be limited to
24	INCLUDING FOR misconduct, incompetence, or neglect of duty.
25	(3) (5) Any A commission member shall be IS immune from
26	liability in any civil action brought against such THE member for acts
27	occurring while acting in the capacity of a commission member if such

SERVE A TERM OF FOUR YEARS; EXCEPT THAT THE GOVERNOR SHALL

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THE member was acting in good faith, made reasonable efforts to obtain the facts of the matter as to which action was taken, and acted in the reasonable belief that the action taken was warranted by the facts.

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(4) (a) No later than December 15, 2008, the commission shall make recommendations to the governor, the speaker of the house of representatives, and the president of the senate regarding any necessary legislative changes to improve the effectiveness and efficiency of the state's low-income energy assistance services provided pursuant to article 8.7 of this title and section 26-1-109, C.R.S. With assistance and consultation from representatives from two counties chosen by the executive director, or his or her designee, of Colorado counties, incorporated, or its successor organization, the commission shall assess the strengths and weaknesses of the current service delivery systems within the state and shall review effective service delivery systems and models of other states that may be appropriate for utilization in this state. The commission's recommendations shall build upon the positive aspects of the current service delivery system, including, but not limited to, the effective and efficient management of current funding to maximize assistance to the state's low-income population, infrastructure that is already in place to efficiently distribute benefits to eligible clients in a timely manner, and coordination already established between energy conservation measures and direct assistance. The commission's recommendations shall include, but shall not be limited to:

- (I) How best to target the state's low-income energy assistance resources toward the identified needs;
- (II) How best to coordinate public and private energy assistance activities with the objective of minimizing the financial burden of energy

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1	costs for the state's most needy;
2	(III) How best to streamline administrative processes; and
3	(IV) Suggested changes to state statutes, rules, or policies related
4	to low-income energy consumers in the state.
5	(b) The commission may seek and receive public and private
6	funding to assist in the conduct of the assessment and review required by
7	paragraph (a) of this subsection (4), including but not limited to assistance
8	from the existing resources of the department of human services created
9	in section 24-1-120, C.R.S., the Colorado energy office created in section
10	24-38.5-101, C.R.S., and energy outreach Colorado, a Colorado nonprofit
11	corporation, as described in section 40-8.7-103 (4).
12	(6) THE COMMISSION SHALL:
13	(a) WITH RESPECT TO ANY FEDERAL DEPARTMENT OF ENERGY
14	GRANT AWARD FOR THE COLORADO ENERGY OFFICE WEATHERIZATION
15	ASSISTANCE PROGRAM, SERVE AS THE POLICY ADVISORY COUNCIL TO THE
16	COLORADO ENERGY OFFICE, IN ACCORDANCE WITH 10 CFR 440.17;
17	(b) SERVE AS AN ADVISORY COUNCIL TO ANY COLORADO WATER
18	UTILITIES THAT PROVIDE OR SEEK TO PROVIDE WATER ASSISTANCE AND
19	EFFICIENCY PROGRAMS TO THEIR CUSTOMERS; AND
20	(c) Pursuant to Section 40-8.7-108 (3), review the annual
21	BUDGET ALLOCATIONS THAT THE ORGANIZATION DEVELOPS AND SUBMITS
22	TO THE COMMISSION FOR REVIEW REGARDING THE ORGANIZATION'S USE OF
23	THE ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE COLLECTED PURSUANT
24	TO SECTION 40-8.7-104 (2.5). IF THE COMMISSION DOES NOT APPROVE THE
25	ORGANIZATION'S ANNUAL BUDGET ALLOCATION, THE COMMISSION MAY
26	REQUIRE THE ORGANIZATION TO MODIFY THE ALLOCATION. UNTIL THE
27	COMMISSION APPROVES A BUDGET ALLOCATION SUBMITTED BY THE

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1	ORGANIZATION, THE MOST RECENTLY APPROVED BUDGET ALLOCATION
2	REMAINS IN EFFECT.
3	SECTION 6. In Colorado Revised Statutes, 40-8.7-102, add (3)
4	as follows:
5	40-8.7-102. Legislative declaration. (3) THE GENERAL
6	ASSEMBLY FURTHER FINDS THAT, ALTHOUGH WATER UTILITIES ARE NOT
7	REGULATED BY THE PUBLIC UTILITIES COMMISSION, ALLOWING WATER
8	UTILITIES TO PARTICIPATE IN A WATER ASSISTANCE PROGRAM ON A
9	VOLUNTARY BASIS WILL PROVIDE AN EFFICIENT MEANS FOR SOME WATER
10	UTILITIES TO PROVIDE FINANCIAL ASSISTANCE TO THEIR CUSTOMERS IN
11	LOW-INCOME HOUSEHOLDS.
12	SECTION 7. In Colorado Revised Statutes, 40-8.7-103, amend
13	the introductory portion and (2); and add (3.3), (4.7), and (7) as follows:
14	40-8.7-103. Definitions. As used in this article ARTICLE 8.7,
15	unless the context otherwise requires:
16	(2) "Customer" means the named holder of an individually
17	metered account upon which charges for electricity, or gas, OR WATER are
18	paid to a utility OR WATER UTILITY. "Customer" shall DOES not include a
19	customer that receives electricity or gas for the sole purpose of reselling
20	the electricity or gas to others.
21	(3.3) "Energy assistance system benefit charge" or
22	"CHARGE" MEANS THE CHARGE THAT INVESTOR-OWNED UTILITIES DOING
23	BUSINESS IN COLORADO COLLECT FROM THEIR CUSTOMERS ON A MONTHLY
24	BASIS PURSUANT TO SECTION $40-8.7-104$ (2.5).
25	(4.7) "PUBLIC UTILITIES COMMISSION" OR "COMMISSION" MEANS
26	THE PUBLIC UTILITIES COMMISSION CREATED IN SECTION 40-2-101.
	(7) "WATER LITHITY" MEANS A WATER CORROBATION OR

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I	MUNICIPAL WATER PROVIDER THAT PROVIDES RETAIL WATER OR
2	WASTEWATER SERVICE TO CUSTOMERS IN COLORADO.
3	SECTION 8. In Colorado Revised Statutes, amend 40-8.7-104
4	as follows:
5	40-8.7-104. Energy assistance program - creation - energy
6	assistance contribution - energy assistance system benefit charge.
7	(1) There is hereby created the low-income energy assistance program to
8	collect and disburse an optional energy assistance contribution AND AN
9	ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE in Colorado in accordance
10	with this article ARTICLE 8.7.
11	(2) Except as otherwise provided in this article ARTICLE 8.7, every
12	utility doing business in Colorado shall participate in the energy
13	assistance program and shall provide the opportunity for utility customers
14	to make an optional energy assistance contribution on the monthly
15	remittance device on their utility billing statement. beginning September
16	1, 2006. Each utility shall provide the opportunity for customers to donate
17	the optional energy assistance contribution as provided in section
18	40-8.7-105 (2).
19	(2.5) (a) EXCEPT AS PROVIDED IN SUBSECTION (2.5)(b) OF THIS
20	SECTION, COMMENCING WITH A CUSTOMER'S BILLING STATEMENT
21	COVERING ELECTRIC OR GAS USAGE IN THE MONTH OF OCTOBER 2021,
22	EVERY INVESTOR-OWNED UTILITY DOING BUSINESS IN COLORADO SHALL
23	COLLECT A MONTHLY ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE FROM
24	EACH OF ITS UTILITY CUSTOMERS PURSUANT TO SECTION 40-8.7-105.5(1).
25	(b) (I) FOR EACH MONTH THAT AN INVESTOR-OWNED UTILITY
26	COLLECTS THE MONTHLY ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE,
27	THE UTILITY SHALL INCLUDE ON ITS CUSTOMERS BILLING STATEMENTS A

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1	CONSPICUOUS NOTIFICATION IN BOTH ENGLISH AND SPANISH THAT
2	SUBSTANTIALLY COMPLIES WITH THE FOLLOWING LANGUAGE:
3	IF YOU'RE STRUGGLING TO PAY YOUR UTILITY BILLS, YOU
4	MIGHT QUALIFY FOR EXEMPTION FROM A MONTHLY
5	CHARGE RELATED TO ENERGY ASSISTANCE AND BE
6	ELIGIBLE FOR UTILITY BILL PAYMENT ASSISTANCE.
7	PLEASE CALL 1-866-HEAT-HELP TO SEE IF YOU
8	QUALIFY.
9	(II) THE ORGANIZATION SHALL NOTIFY EACH INVESTOR-OWNED
10	UTILITY OF ANY CUSTOMER OF THE INVESTOR-OWNED UTILITY WHO IS
11	EXEMPTED FROM PAYMENT OF THE CHARGE BY VIRTUE OF HAVING
12	RECEIVED DIRECT UTILITY BILL PAYMENT ASSISTANCE FROM THE
13	ORGANIZATION IN THE PREVIOUS TWELVE MONTHS.
14	(III) EACH INVESTOR-OWNED UTILITY SHALL REVIEW READILY
15	AVAILABLE INFORMATION IT HAS RECEIVED FROM THE STATE DEPARTMENT
16	OF HUMAN SERVICES AND THE ORGANIZATION TO DETERMINE WHICH
17	CUSTOMERS HAVE RECEIVED ANY DIRECT UTILITY BILL PAYMENT
18	ASSISTANCE FROM THE STATE DEPARTMENT OR THE ORGANIZATION IN THE
19	PREVIOUS TWELVE MONTHS AND, AS A RESULT, ARE ELIGIBLE FOR
20	EXEMPTION FROM PAYMENT OF THE CHARGE.
21	(IV) UPON RECEIVING NOTIFICATION FROM THE ORGANIZATION
22	PURSUANT TO SUBSECTION (2.5)(b)(II) OF THIS SECTION OR UPON ITS OWN
23	DETERMINATION THAT A CUSTOMER IS ELIGIBLE FOR EXEMPTION FROM THE
24	CHARGE, AN INVESTOR-OWNED UTILITY SHALL REMOVE THE CHARGE FROM
25	THE CUSTOMER'S MONTHLY BILLING STATEMENTS FOR THE SUCCEEDING
26	TWELVE MONTHS.
27	(3) Any reasonable costs that a utility incurs in connection with

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1	the program, including the initial costs of setting up the collection
2	mechanism and reformatting its billing systems to solicit the optional
3	contribution AND TO IMPOSE AND COLLECT THE CHARGE, shall be
4	reimbursed from the moneys collected by MONEY COLLECTED FOR the
5	program. and this amount shall be approved for each utility by THE
6	UTILITY MUST SUBMIT A CALCULATION OF THE AMOUNT OF MONEY TO BE
7	REIMBURSED TO the public utilities commission FOR ITS APPROVAL OF
8	PRUDENTLY INCURRED COSTS. The reimbursed amounts shall MUST be
9	transmitted to the utilities before the remaining moneys are MONEY IS
10	distributed to the organization.
11	SECTION 9. In Colorado Revised Statutes, add 40-8.7-104.3 as
12	follows:
13	40-8.7-104.3. Water assistance program - creation - water
14	assistance contribution. (1) (a) ON AND AFTER THE EFFECTIVE DATE OF
15	THIS SECTION, A WATER UTILITY DOING BUSINESS IN COLORADO MAY
16	PARTICIPATE IN A WATER ASSISTANCE PROGRAM CREATED AND MANAGED
17	BY THE ORGANIZATION TO PROVIDE WATER UTILITY BILL PAYMENT
18	ASSISTANCE TO LOW-INCOME HOUSEHOLDS. A WATER UTILITY'S
19	VOLUNTARY PARTICIPATION IN THE WATER ASSISTANCE PROGRAM WILL
20	PROVIDE A WATER UTILITY CUSTOMER WITH AN OPPORTUNITY TO MAKE AN
21	OPTIONAL CONTRIBUTION ON THE CUSTOMER'S MONTHLY OR QUARTERLY
22	REMITTANCE DEVICE ON THE WATER UTILITY BILLING STATEMENT.
23	(b) (I) A WATER UTILITY PARTICIPATING IN THE WATER
24	ASSISTANCE PROGRAM SHALL PROVIDE THE OPPORTUNITY FOR ITS
25	CUSTOMERS TO DONATE THE CONTRIBUTION DESCRIBED IN SUBSECTION
26	(1)(a) OF THIS SECTION IN ACCORDANCE WITH THE CHECK-OFF MECHANISM
27	SET FORTH IN SECTION 40-8.7-105 (2).

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1	(II) Section 40-8.7-105 (1), (3), (4), and (5) does not apply to
2	A WATER UTILITY'S PARTICIPATION IN THE WATER ASSISTANCE PROGRAM.
3	(2) A WATER UTILITY MAY CREATE ITS OWN WATER ASSISTANCE
4	PROGRAM TO MEET ITS CUSTOMERS' WATER ASSISTANCE NEEDS. IN
5	DETERMINING ELIGIBILITY FOR ASSISTANCE, A WATER UTILITY MAY ADOPT
6	THE CRITERIA SPECIFIED IN SECTION 40-3-106 (1)(d) OR ALTERNATIVE
7	CRITERIA AS DETERMINED BY THE WATER UTILITY.
8	(3) A WATER UTILITY PARTICIPATING IN THE ORGANIZATION'S
9	WATER ASSISTANCE PROGRAM PURSUANT TO SUBSECTION (1) OF THIS
10	SECTION OR CREATING ITS OWN WATER ASSISTANCE PROGRAM PURSUANT
11	TO SUBSECTION (2) OF THIS SECTION MAY SEEK REIMBURSEMENT FOR ANY
12	REASONABLE COSTS THAT IT INCURS IN CONNECTION WITH THE PROGRAM,
13	INCLUDING INITIAL COSTS OF SETTING UP THE COLLECTION MECHANISM
14	AND REFORMATTING ITS BILLING SYSTEMS TO SOLICIT AN OPTIONAL
15	CONTRIBUTION.
16	(4) THE ORGANIZATION SHALL USE THE MONEY COLLECTED FROM
17	EACH WATER UTILITY PURSUANT TO THIS SECTION TO HELP FINANCE
18	DIRECT WATER UTILITY BILL PAYMENT ASSISTANCE TO LOW-INCOME
19	HOUSEHOLDS SERVED BY THAT WATER UTILITY.
20	SECTION 10. In Colorado Revised Statutes, add 40-8.7-105.5
21	as follows:
22	40-8.7-105.5. Energy assistance system benefit charge - rules
23	- repeal. (1) (a) On and after October 1, 2021, and except as
24	PROVIDED IN SECTION 40-8.7-104 (2.5)(b), EACH INVESTOR-OWNED
25	ENERGY UTILITY SHALL INCLUDE ON ITS CUSTOMERS' MONTHLY BILLS A
26	FLAT ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE THAT A CUSTOMER IS
27	ASSESSED TO HELP FINANCE THE LOW-INCOME ENERGY ASSISTANCE

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1	PROGRAM.
2	(b) (I) EXCEPT AS PROVIDED IN SUBSECTIONS (1)(b)(II) AND
3	(1)(b)(III) OF THIS SECTION, THE MONTHLY ENERGY ASSISTANCE SYSTEM
4	BENEFIT CHARGE IS SEVENTY-FIVE CENTS FOR ELECTRIC SERVICE
5	PROVIDED AND SEVENTY-FIVE CENTS FOR NATURAL GAS SERVICE
6	PROVIDED.
7	(II) (A) Notwithstanding subsection $(1)(b)(I)$ of this
8	SECTION, FOR BILLING STATEMENTS COVERING ELECTRIC OR NATURAL GAS
9	USAGE BETWEEN THE MONTHS OF OCTOBER 2021 AND SEPTEMBER 2022
10	THE MONTHLY ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE IS REDUCED
11	TO FIFTY CENTS FOR ELECTRIC SERVICE PROVIDED AND FIFTY CENTS FOR
12	NATURAL GAS SERVICE PROVIDED.
13	(B) This subsection (1)(b)(II) is repealed, effective
14	SEPTEMBER 1, 2023.
15	(III) COMMENCING OCTOBER 1, 2023, THE MONTHLY ENERGY
16	ASSISTANCE SYSTEM BENEFIT CHARGE SHALL BE ADJUSTED IN
17	ACCORDANCE WITH CHANGES IN THE UNITED STATES DEPARTMENT OF
18	LABOR'S BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR
19	DENVER-AURORA-LAKEWOOD FOR ALL ITEMS AND ALL URBAN
20	CONSUMERS, OR ITS SUCCESSOR INDEX.
21	(2) THE COMMISSION MAY INITIATE A RULE-MAKING PROCEEDING
22	TO REQUIRE EACH INVESTOR-OWNED UTILITY TO CONSIDER USING THE
23	MOST COST-EFFECTIVE METHOD FOR IMPLEMENTING THE PROGRAM.
24	(4) This section is repealed, effective January 1, 2029.
25	SECTION 11. In Colorado Revised Statutes, 40-8.7-107, amend
26	(1) introductory portion; and add (1.5) as follows:
27	40-8.7-107. Disposition of contributions and charges. (1) Each

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1	gas and electric utility COLLECTING OPTIONAL ENERGY ASSISTANCE
2	CONTRIBUTIONS PURSUANT TO SECTION $40-8.7-104$ (2) AND EACH WATER
3	UTILITY COLLECTING OPTIONAL CONTRIBUTIONS PURSUANT TO SECTION
4	40-8.7-104.3 (1) shall transfer the moneys from the energy assistance
5	contributions MONEY collected under this article to the organization on
6	the following schedule:
7	(1.5) (a) An investor-owned utility collecting the energy
8	ASSISTANCE SYSTEM BENEFIT CHARGE PURSUANT TO SECTION 40-8.7-104
9	(2.5) shall transfer the money collected in accordance with the
10	SCHEDULE ESTABLISHED IN SUBSECTION (1) OF THIS SECTION.
11	(b) Except as provided in section 40-8.7-108 (2)(b), the
12	ORGANIZATION SHALL USE THE MONEY COLLECTED FROM EACH
13	INVESTOR-OWNED UTILITY PURSUANT TO SECTION 40-8.7-104 (2.5) TO
14	HELP FINANCE DIRECT UTILITY BILL PAYMENT ASSISTANCE AND ENERGY
15	RETROFITS PROVIDED TO LOW-INCOME HOUSEHOLDS WITHIN THAT
16	INVESTOR-OWNED UTILITY'S SERVICE TERRITORY OR WITHIN THE SERVICE
17	TERRITORY OF AN AFFILIATED INVESTOR-OWNED UTILITY.
18	(c) NOTWITHSTANDING SECTION 40-3-114, A UTILITY REGULATED
19	BY THE PUBLIC UTILITIES COMMISSION MAY USE FUNDS COLLECTED FROM
20	ITS CUSTOMERS FOR THE PURPOSE OF COMPLYING WITH A STATUTORY
21	REQUIREMENT TO FINANCE LOW-INCOME ENERGY ASSISTANCE PROGRAMS.
22	SECTION 12. In Colorado Revised Statutes, amend 40-8.7-108
23	as follows:
24	40-8.7-108. Energy outreach Colorado - administration of
25	energy assistance contributions and the system benefit charge.
26	(1) The organization shall hold and administer all moneys MONEY
27	collected FOR ENERGY ASSISTANCE pursuant to this article ARTICLE 8.7

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delivered to it by the utilities pursuant to section 40-8.7-107 in a separately identifiable account, which shall be restricted to the purposes set forth in this article ARTICLE 8.7. The organization shall maintain its books and records pertaining to the energy assistance contributions AND THE ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE in accordance with generally accepted accounting principles and, in addition, shall maintain records adequate to identify the moneys MONEY collected by each utility. If the organization commingles the moneys MONEY collected and delivered with other assets of the organization for investment purposes, the organization shall maintain accurate accounts of the investment moneys MONEY and shall credit or charge a pro rata portion of all investment earnings, gains, or losses to the account that holds the OPTIONAL energy assistance COLLECTIONS AND ENERGY ASSISTANCE SYSTEM BENEFIT charges.

(2) (a) EXCEPT AS PROVIDED IN SUBSECTION (2)(b) OF THIS SECTION, the organization shall use the MONEY COLLECTED FROM THE OPTIONAL energy assistance contribution CONTRIBUTIONS AND THE ENERGY ASSISTANCE SYSTEM BENEFIT CHARGE to provide low-income energy assistance and to improve energy efficiency. The ORGANIZATION SHALL PAY THE financial assistance moneys shall be paid MONEY to each utility as vendor payments. The moneys ORGANIZATION shall not be used USE THE MONEY for propane, gas, or electric assistance for customers whose propane, gas, electric, or gas and electric companies or cooperative electric associations do not participate in the program. The organization may use up to five percent of the moneys MONEY collected for administration of the energy assistance program in accordance with generally accepted accounting principles.

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2	THE ORGANIZATION'S BUDGET PREPARED PURSUANT TO SUBSECTION (3)(b)
3	OF THIS SECTION AND APPROVED BY THE LEGISLATIVE COMMISSION ON
4	LOW-INCOME ENERGY AND WATER ASSISTANCE PURSUANT TO SECTION
5	40-8.5-103.5 (6)(c), THE ORGANIZATION SHALL TRANSMIT A PORTION OF
6	THE MONEY COLLECTED FROM THE ENERGY ASSISTANCE SYSTEM BENEFIT
7	CHARGE TO THE STATE TREASURER AND THE STATE TREASURER SHALL
8	CREDIT THAT AMOUNT TO THE SUPPLEMENTAL UTILITY ASSISTANCE FUND
9	CREATED IN SECTION 26-2-307 (2)(a) FOR USE BY THE DEPARTMENT OF
10	HUMAN SERVICES IN ACCORDANCE WITH SECTION $26-2-307$ (1).
11	(3) (a) The organization shall, on an annual basis, develop a
12	budget for the energy assistance program to determine the allocation of
13	THE MONEY COLLECTED FROM the OPTIONAL energy assistance
14	contributions collected under this article AND THE ENERGY ASSISTANCE
15	SYSTEM BENEFIT CHARGE, WITH NOT MORE THAN FIFTY PERCENT OF THE
16	TOTAL AMOUNT ALLOCATED TO DIRECT UTILITY BILL PAYMENT
17	ASSISTANCE. THE BUDGET MUST INCLUDE AN ALLOCATION OF MONEY
18	COLLECTED FROM THE CHARGE THAT WILL BE USED FOR EDUCATION AND
19	OUTREACH ABOUT THE PROGRAM. THE ORGANIZATION SHALL SUBMIT A
20	COPY OF THE BUDGET TO THE COLORADO ENERGY OFFICE FOR ITS REVIEW.
21	(b) As part of the budget developed pursuant to
22	SUBSECTION (3)(a) OF THIS SECTION, THE ORGANIZATION SHALL
23	CALCULATE THE AMOUNT OF MONEY FROM THE ENERGY ASSISTANCE
24	SYSTEM BENEFIT CHARGE TO TRANSMIT TO THE STATE TREASURER
25	PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION AND THE AMOUNT OF
26	THE FUEL ASSISTANCE PAYMENTS THAT THE DEPARTMENT OF HUMAN
27	SERVICES MAKES IN ACCORDANCE WITH SECTION $26-2-307$ (1).

(b) IN ACCORDANCE WITH THE PAYMENT AMOUNTS REFLECTED IN

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SECTION 13.	In Colorado Revised Statutes, a	add 40-8.7-108.5
as follows:		

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3 40-8.7-108.5. Energy outreach Colorado - administration of 4 the water assistance contributions. (1) THE ORGANIZATION SHALL HOLD 5 AND ADMINISTER ALL MONEY COLLECTED FOR WATER ASSISTANCE 6 PURSUANT TO THIS ARTICLE 8.7 DELIVERED TO IT BY WATER UTILITIES 7 PURSUANT TO SECTION 40-8.7-107 IN A SEPARATELY IDENTIFIABLE 8 ACCOUNT, WHICH SHALL BE RESTRICTED TO THE PURPOSES SET FORTH IN 9 THIS ARTICLE 8.7. THE ORGANIZATION SHALL MAINTAIN ITS BOOKS AND 10 RECORDS PERTAINING TO THE WATER ASSISTANCE CONTRIBUTIONS IN 11 ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES AND, 12 IN ADDITION, SHALL MAINTAIN RECORDS ADEQUATE TO IDENTIFY THE 13 MONEY COLLECTED BY EACH WATER UTILITY. IF THE ORGANIZATION 14 COMMINGLES THE MONEY COLLECTED AND DELIVERED WITH OTHER 15 ASSETS OF THE ORGANIZATION FOR INVESTMENT PURPOSES, THE 16 ORGANIZATION SHALL MAINTAIN ACCURATE ACCOUNTS OF THE 17 INVESTMENT MONEY AND SHALL CREDIT OR CHARGE A PRO RATA PORTION 18 OF ALL INVESTMENT EARNINGS, GAINS, OR LOSSES TO THE ACCOUNT THAT 19 HOLDS THE WATER ASSISTANCE COLLECTIONS.

(2) THE ORGANIZATION SHALL USE THE WATER ASSISTANCE CONTRIBUTIONS TO PROVIDE LOW-INCOME WATER ASSISTANCE. THE ORGANIZATION SHALL PAY THE FINANCIAL ASSISTANCE MONEY TO EACH PARTICIPATING WATER UTILITY AS VENDOR PAYMENTS. THE ORGANIZATION SHALL NOT USE THE MONEY FOR WATER ASSISTANCE FOR CUSTOMERS WHOSE WATER UTILITY DOES NOT PARTICIPATE IN THE PROGRAM. THE ORGANIZATION MAY USE UP TO FIVE PERCENT OF THE MONEY COLLECTED FOR ADMINISTRATION OF THE WATER ASSISTANCE

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1	PROGRAM IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING
2	PRINCIPLES.
3	(3) THE ORGANIZATION SHALL, ON AN ANNUAL BASIS, DEVELOP A
4	BUDGET FOR THE WATER ASSISTANCE PROGRAM TO DETERMINE THE
5	ALLOCATION OF THE WATER ASSISTANCE CONTRIBUTIONS COLLECTED
6	UNDER THIS ARTICLE 8.7.
7	SECTION 14. In Colorado Revised Statutes, 40-8.7-109, add (4)
8	as follows:
9	40-8.7-109. Low-income energy assistance program -
10	eligibility. (4) When installing energy retrofits as part of
11	PROVIDING LOW-INCOME ENERGY ASSISTANCE, THE ORGANIZATION AND
12	THE COLORADO ENERGY OFFICE SHALL PRIORITIZE MAXIMIZING CUSTOMER
13	SAVINGS, REDUCING EMISSIONS, AND IMPROVING INDOOR AIR QUALITY.
14	SECTION 15. In Colorado Revised Statutes, 40-8.7-110, amend
15	(1), (1.5), and (2) as follows:
16	40-8.7-110. Reports - repeal. (1) The organization shall submit
17	a written report to the general assembly, the legislative audit committee,
18	and the office of the state auditor on or before March 31 of each year
19	beginning in 2007, that covers COVERING the immediately preceding
20	calendar year. The report shall MUST include:
21	(a) An itemized account of moneys THE MONEY received by the
22	organization from each utility FOR THE LOW-INCOME ENERGY ASSISTANCE
23	PROGRAM, INCLUDING:
24	(I) THE MONEY RECEIVED FROM CUSTOMERS' OPTIONAL ENERGY
25	Assistance contributions pursuant to section $40-8.7-104(2)$; and
26	(II) THE MONEY RECEIVED FROM CUSTOMERS' MONTHLY ENERGY
2.7	ASSISTANCE SYSTEM BENEFIT CHARGES PURSUANT TO SECTION 40-8.7-104

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1	(2.5), including information regarding the money received from
2	EACH INVESTOR-OWNED UTILITY AND THE MONEY THE ORGANIZATION HAS
3	SPENT IN EACH INVESTOR-OWNED UTILITY'S SERVICE TERRITORY OR
4	WITHIN THE SERVICE TERRITORY OF AN AFFILIATED INVESTOR-OWNED
5	UTILITY;
6	(a.5) AN ITEMIZED ACCOUNT OF THE MONEY RECEIVED BY THE
7	ORGANIZATION FROM EACH PARTICIPATING WATER UTILITY FOR THE
8	ORGANIZATION'S WATER ASSISTANCE PROGRAM PURSUANT TO SECTION
9	40-8.7-104.3;
10	(b) FOR THE LOW-INCOME ENERGY ASSISTANCE PROGRAM AND THE
11	WATER ASSISTANCE PROGRAM:
12	(b) (I) The amount of moneys MONEY distributed, the type of
13	assistance provided, the geographic area of the state served, and an
14	itemization of the programs through which the moneys are MONEY IS
15	expended;
16	(c) (II) The number of low-income households served, by utility
17	OR WATER UTILITY and by type of assistance provided;
18	(d)(III) An audited financial statement from the organization; and
19	(e) (IV) A summary of how the moneys MONEY collected were
20	WAS generated, including the number of customers participating in the
21	program.
22	(1.5) To the extent applicable, the organization shall include in the
23	report the information required by paragraphs (b) and (c) of subsection
24	(1) SUBSECTIONS $(1)(b)(I)$ AND $(1)(b)(II)$ of this section for moneys
25	MONEY received from the Colorado energy office pursuant to section
26	40-8.7-112 (2)(a).
27	(2) The ORGANIZATION SHALL POST THE report shall be made ON

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1 ITS PUBLIC WEBSITE SO THAT IT IS available to the public for review. 2 **SECTION 16.** In Colorado Revised Statutes, 40-1-103.5, amend 3 (2) as follows: 4 40-1-103.5. Limited exemption of master meter operators -5 conditions - rules. (2) In passing on refunds, rebates, rate reductions, or 6 similar adjustments to end users, the MMO shall notify its current end 7 users, either by first-class mail with a certificate of mailing or by 8 inclusion in any monthly or more frequent regular written 9 communication, of such THE adjustments and inform the end users that 10 they may claim the adjustments within ninety days after receipt of the 11 notice. The MMO may retain any portion of such THE adjustments which 12 THAT rightfully belongs to the MMO. Upon the expiration of the 13 ninety-day claims period, the MMO shall identify any such adjustments 14 which THAT are unclaimed and, if the aggregate amount unclaimed 15 exceeds one hundred dollars, the MMO shall contribute such THE 16 unclaimed amount to the fund established by the LEGISLATIVE 17 commission on low-income energy AND WATER assistance pursuant to 18 section 40-8.5-104. 19 **SECTION 17.** In Colorado Revised Statutes, 40-8-101, amend 20 (2) as follows: 21 40-8-101. Undistributed overcharges turned over to 22 **municipality.** (2) For gas, electric, and steam utilities, the public utilities 23 commission may order that all or part of the undistributed balance of a refund be paid by the utility in an equitable manner to the general body 24 25 of utility customers and the public utilities commission may order a gas

or electric utility to pay up to ninety percent of the undistributed balance

of a refund into the fund established by the Colorado LEGISLATIVE

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1 commission on low-income energy AND WATER assistance pursuant to 2 section 40-8.5-104. 3 **SECTION 18.** In Colorado Revised Statutes, amend 40-8.5-101 4 as follows: 5 40-8.5-101. Legislative declaration. In enacting this article 6 ARTICLE 8.5, the general assembly finds and declares that there is a need 7 to make distributions of moneys MONEY to provide aid and assistance to 8 the indigent, the elderly, and persons with disabilities, who do not 9 otherwise have the financial resources to meet their heating and other 10 energy needs. The general assembly further finds and declares that the 11 low-income energy assistance program of the department of human 12 services is the most appropriate entity to determine those most in need of 13 such aid and assistance. Therefore, this article shall authorize ARTICLE 8.5 14 AUTHORIZES the LEGISLATIVE commission on low-income energy AND 15 WATER assistance to establish a fund from which to collect and distribute 16 moneys MONEY to accomplish the goals set forth in this section. The 17 moneys MONEY for such THE fund shall MUST be based FUNDED in part on 18 BY unclaimed utility deposits. 19 **SECTION 19.** In Colorado Revised Statutes, 40-8.7-112, amend 20 (2)(a)(I) as follows: 21 40-8.7-112. Department of human services low-income energy 22 assistance fund - creation - energy outreach Colorado low-income 23 energy assistance fund - creation - Colorado energy office low-income 24 energy assistance fund - creation - definitions - repeal. 25 (2) (a) (I) There is hereby created in the state treasury the energy 26 outreach Colorado low-income energy assistance fund, administered by 27 the Colorado energy office. The fund consists of all money transferred by

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the state treasurer as specified in section 39-29-109.3 (2)(f) and any other money that the general assembly appropriates or transfers to the fund for the purposes set forth in this subsection (2). All money in the fund is continuously appropriated to the Colorado energy office for distribution to the organization to be used for the purposes set forth in this subsection (2). Except as provided in subsection (2)(a)(II) of this section, all money in the fund at the end of each fiscal year remains in the fund and does not revert to the general fund or any other fund. **SECTION 20.** Act subject to petition - effective date. This act

takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the 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 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 general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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