

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0319.01 Clare Haffner x6137

HOUSE BILL 26-1007

HOUSE SPONSORSHIP

Smith and Stewart R.,

SENATE SPONSORSHIP

Kipp,

House Committees
Energy & Environment

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO IMPROVE A CUSTOMER'S ABILITY TO USE**
102 **DISTRIBUTED ENERGY RESOURCES.**

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>.)

The bill defines, and creates requirements for, portable-scale solar generation devices. In addition, the bill prohibits a provider of retail electric service or wholesale energy from, among other things, requiring a customer to obtain the provider's approval before installing or using a portable-scale solar generation device. The bill also prohibits a person from restricting, prohibiting, or imposing unreasonable conditions on the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

installation, use, or operation of a portable-scale solar generation device.

Under current law, a utility that is subject to regulation by the public utilities commission (commission) must allow for customer ownership and use of a meter collar adapter through the utility's interconnection standards. The bill requires the commission, on or before December 31, 2026, to revise existing commission interconnection rules to explicitly require commission-regulated utilities to allow for customer ownership and use of meter collar adapters and to prohibit commission-regulated utilities from requiring a production meter as a condition of interconnection for a customer-sited distributed energy resource.

The bill requires municipally owned utilities and cooperative electric associations to also allow for customer ownership and use of meter collar adapters and prohibits municipally owned utilities and cooperative electric associations from requiring a production meter as a condition of interconnection for a customer-sited distributed energy resource.

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

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

4 (a) With weather-related power outages on the rise, distributed
5 generation systems, such as residential solar energy systems, create a
6 clean, reliable energy source that, especially when paired with an energy
7 storage system, is less vulnerable to natural disasters and grid failures;

8 (b) Customers across the state are increasingly wanting to have
9 more freedom and choice over their energy decisions and to increase the
10 self-reliance and self-sufficiency of their families and communities;

11 (c) Portable-scale solar generation devices plug in directly to a
12 wall outlet and immediately provide energy to a home. These devices can
13 play a meaningful role in addressing energy affordability statewide, and
14 they are ideal for any small space, such as an apartment balcony or a
15 small patio.

16 (d) While clean energy technologies, including portable-scale

1 solar generation devices, are becoming increasingly available for
2 customers, interconnection fees and other utility processes can make the
3 adoption of such technologies unnecessarily costly and burdensome;

4 (e) It is the policy of the state and the intent of the general
5 assembly to encourage the use of portable-scale solar generation devices
6 and to limit obstacles to customers' use of these devices; and

7 (f) Increasing renewable energy generation and allowing
8 customers across the state to have more freedom, choice, and
9 self-sufficiency over their energy decisions through the use of
10 portable-scale solar generation devices is a matter of statewide concern.

11 (2) The general assembly further finds that:

12 (a) Customer-sited distributed energy resources, including rooftop
13 solar and energy storage, are important tools to help customers manage
14 bills, improve resilience, and support achievement of the state's clean
15 energy and climate goals;

16 (b) Ensuring efficient, low-cost, and timely interconnection of
17 distributed energy resources is a matter of statewide concern;

18 (c) Use of meter collar adapters can reduce or avoid costly and
19 time-consuming service panel upgrades when interconnecting distributed
20 energy resources, thereby lowering the costs of and barriers to
21 customer-sited distributed energy resources for households and small
22 businesses;

23 (d) Cooperative electric associations are required to comply with
24 the interconnection rules adopted by the public utilities commission, and
25 municipally owned utilities are required to adopt interconnection
26 standards that are functionally similar to those established by the public
27 utilities commission;

1 (e) However, existing law does not explicitly require that
2 cooperative electric associations and municipally owned utilities must
3 allow for customer use of meter collar adapters; and

4 (f) Therefore, additional statutory direction is needed to ensure
5 that all utilities in the state fully and efficiently accommodate the use of
6 meter collar adapters.

7 (3) The general assembly further finds that requiring separate
8 production meters for customer-sited distributed energy resources in
9 circumstances where net energy consumption can be accurately measured
10 at the customer's billing meter adds unnecessary cost and complexity that
11 discourage beneficial distributed energy resources.

12 **SECTION 2.** In Colorado Revised Statutes, **add** 40-2-140 as
13 follows:

14 **40-2-140. Portable-scale solar generation devices -**
15 **requirements - exemptions - definition.**

16 (1) AS USED IN THIS SECTION, "PORTABLE-SCALE SOLAR
17 GENERATION DEVICE" OR "DEVICE" MEANS A PHOTOVOLTAIC SYSTEM AND
18 ASSOCIATED EQUIPMENT THAT:

19 (a) IS DESIGNED OR COMMISSIONED TO SUPPLY A MAXIMUM POWER
20 OUTPUT OF NOT MORE THAN ONE THOUSAND NINE HUNDRED TWENTY
21 WATTS TO THE ELECTRIC GRID; AND

22 (b) IS CERTIFIED BY A NATIONALLY RECOGNIZED TESTING
23 LABORATORY.

24 (2) A PORTABLE-SCALE SOLAR GENERATION DEVICE MUST INCLUDE
25 A FEATURE THAT PREVENTS THE DEVICE FROM ENERGIZING THE ELECTRIC
26 GRID DURING A POWER OUTAGE.

27 (3) A CUSTOMER THAT USES A PORTABLE-SCALE SOLAR

1 GENERATION DEVICE MAY PARTICIPATE IN A NET METERING PROGRAM
2 MADE AVAILABLE BY THE CUSTOMER'S UTILITY PURSUANT TO SECTION
3 40-2-124 OR 40-9.5-118 (2).

4 (4) A PROVIDER OF RETAIL ELECTRIC SERVICE OR WHOLESALE
5 ENERGY SHALL NOT REQUIRE A CUSTOMER TO:

6 (a) OBTAIN THE PROVIDER'S APPROVAL BEFORE INSTALLING OR
7 USING A PORTABLE-SCALE SOLAR GENERATION DEVICE;

8 (b) PAY THE PROVIDER A FEE RELATED TO A PORTABLE-SCALE
9 SOLAR GENERATION DEVICE; OR

10 (c) INSTALL ANY ADDITIONAL CONTROLS OR EQUIPMENT BEYOND
11 WHAT IS INTEGRATED INTO A PORTABLE-SCALE SOLAR GENERATION
12 DEVICE.

13 (5) A PORTABLE-SCALE SOLAR GENERATION DEVICE THAT HAS A
14 POWER OUTPUT OF NOT MORE THAN THREE HUNDRED NINETY-ONE WATTS
15 IS EXEMPT FROM:

16 (a) THE SOLAR PHOTOVOLTAIC INSTALLATION REQUIREMENTS
17 DESCRIBED IN SECTION 40-2-128; AND

18 (b) ANY BUILDING SAFETY CODE PROVISIONS OR PRODUCT LISTING
19 PROVISIONS THAT WOULD REQUIRE ALTERATIONS TO THE BUILDING'S
20 ELECTRICAL WIRING.

21 (6) A PERSON SHALL NOT ADOPT OR ENFORCE A RESTRICTION,
22 COVENANT, BYLAW, REGULATION, LEASE STIPULATION, OR OTHER RULE
23 THAT DIRECTLY OR INDIRECTLY RESTRICTS, PROHIBITS, OR IMPOSES
24 UNREASONABLE CONDITIONS ON THE INSTALLATION, USE, OR OPERATION
25 OF A PORTABLE-SCALE SOLAR GENERATION DEVICE THAT MEETS THE
26 REQUIREMENTS DESCRIBED IN THIS SECTION. ANY SUCH RESTRICTION,
27 COVENANT, BYLAW, REGULATION, LEASE STIPULATION, OR OTHER RULE IS

1 VOID AS A MATTER OF PUBLIC POLICY.

2 **SECTION 3.** In Colorado Revised Statutes, 40-2-124, **amend**
3 (7)(b)(IV); and **add** (1.3) as follows:

4 **40-2-124. Renewable energy standards - qualifying retail and**
5 **wholesale utilities - definitions - net metering - legislative declaration**
6 **- rules.**

7 (1.3) ON OR BEFORE DECEMBER 31, 2026, THE COMMISSION SHALL
8 REVISE EXISTING RULES TO:

9 (a) REQUIRE A QUALIFYING RETAIL UTILITY TO ALLOW FOR
10 CUSTOMER OWNERSHIP AND USE OF A METER COLLAR ADAPTER TO PERMIT
11 THE INTERCONNECTION OF DISTRIBUTED ENERGY RESOURCES AND FOR
12 ELECTRICAL ISOLATION OF THE CUSTOMER'S SITE FOR ENERGY BACKUP
13 PURPOSES;

14 (b) REQUIRE A QUALIFYING RETAIL UTILITY TO HAVE A
15 TRANSPARENT PROCESS FOR APPROVING CUSTOMER-OWNED METER
16 COLLAR ADAPTERS THAT MEET MINIMUM SAFETY REQUIREMENTS. THE
17 APPROVAL PROCESS MUST TAKE NO MORE THAN SIXTY DAYS AFTER THE
18 DATE OF SUBMISSION FOR APPROVAL OF A SPECIFIC METER COLLAR
19 ADAPTER BY THE PROPOSING PARTY. A QUALIFYING RETAIL UTILITY SHALL
20 POST ON ITS WEBSITE A PUBLIC LIST OF APPROVED METER COLLAR
21 ADAPTERS AND UPDATE THE LIST AT LEAST ANNUALLY. A QUALIFYING
22 RETAIL UTILITY SHALL APPROVE A PROPOSED CUSTOMER-OWNED METER
23 COLLAR ADAPTER THAT:

24 (I) IS CERTIFIED FOR COMPLIANCE WITH THE STANDARDS
25 REFERENCED IN UL 414 AND RATED ADEQUATELY FOR THE CONNECTED
26 EQUIPMENT; AND

27 (II) DOES NOT IMPEDE ACCESS TO THE SEALED METER SOCKET

1 COMPARTMENT OR PULL SECTION OF THE SERVICE ENTRANCE STATION;

2 (c) REQUIRE A QUALIFYING RETAIL UTILITY TO ESTABLISH AND
3 PUBLISH IN THE QUALIFYING RETAIL UTILITY'S TARIFFS A PROCESS FOR A
4 CUSTOMER TO REQUEST AND INSTALL A METER COLLAR ADAPTER, WHICH
5 PROCESS MUST TAKE NO LONGER THAN THIRTY DAYS AND NOT BE UNDULY
6 BURDENSOME TO THE CUSTOMER;

7 (d) REQUIRE A QUALIFYING RETAIL UTILITY TO ALLOW FOR THE
8 INSTALLATION OF A METER COLLAR ADAPTER BY A PROFESSIONAL
9 CONTRACTOR WITH AN ACTIVE ELECTRICAL CONTRACTOR LICENSE; AND

10 (e) PROHIBIT A QUALIFYING RETAIL UTILITY FROM REQUIRING A
11 PRODUCTION METER AS A CONDITION OF INTERCONNECTION FOR A
12 CUSTOMER-SITED DISTRIBUTED ENERGY RESOURCE.

13 (7) (b) Each municipally owned utility shall allow a
14 customer-generator's retail electricity consumption to be offset by the
15 electricity generated from eligible energy resources on the
16 customer-generator's side of the meter that are interconnected with the
17 facilities of the municipally owned utility, subject to the following:

18 (IV) **Interconnection standards.** Each municipally owned utility
19 shall adopt and post small generation interconnection standards and
20 insurance requirements that are functionally similar to those established
21 in the rules ~~promulgated~~ ADOPTED by the ~~public utilities~~ commission
22 pursuant to this section; except that the municipally owned utility may
23 reduce or waive any of the insurance requirements. If any
24 customer-generator subject to the size specifications specified in
25 ~~subparagraph (V) of this paragraph (b)~~ SUBSECTION (7)(b)(V) OF THIS
26 SECTION is denied interconnection by the municipally owned utility, the
27 utility shall provide a written technical or economic explanation of such

1 denial to the customer. A MUNICIPALLY OWNED UTILITY SHALL NOT
2 REQUIRE A PRODUCTION METER AS A CONDITION FOR INTERCONNECTION
3 FOR A CUSTOMER-SITED DISTRIBUTED ENERGY RESOURCE. A MUNICIPALLY
4 OWNED UTILITY'S INTERCONNECTION STANDARDS MUST:

5 (A) ALLOW FOR CUSTOMER OWNERSHIP AND USE OF A METER
6 COLLAR ADAPTER TO PERMIT THE INTERCONNECTION OF DISTRIBUTED
7 ENERGY RESOURCES AND FOR ELECTRICAL ISOLATION OF THE CUSTOMER'S
8 SITE FOR ENERGY BACKUP PURPOSES;

9 (B) INCLUDE A TRANSPARENT PROCESS FOR APPROVING
10 CUSTOMER-OWNED METER COLLAR ADAPTERS THAT MEET MINIMUM
11 SAFETY REQUIREMENTS. THE APPROVAL PROCESS MUST TAKE NO MORE
12 THAN SIXTY DAYS AFTER THE DATE OF SUBMISSION FOR APPROVAL OF A
13 SPECIFIC METER COLLAR ADAPTER BY THE PROPOSING PARTY. A
14 MUNICIPALLY OWNED UTILITY SHALL POST ON ITS WEBSITE A PUBLIC LIST
15 OF APPROVED METER COLLAR ADAPTERS AND UPDATE THE LIST AT LEAST
16 ANNUALLY. A MUNICIPALLY OWNED UTILITY SHALL APPROVE A PROPOSED
17 CUSTOMER-OWNED METER COLLAR ADAPTER THAT IS CERTIFIED FOR
18 COMPLIANCE WITH THE STANDARDS REFERENCED IN UL 414, IS RATED
19 ADEQUATELY FOR THE CONNECTED EQUIPMENT, AND DOES NOT IMPEDE
20 ACCESS TO THE SEALED METER SOCKET COMPARTMENT OR PULL SECTION
21 OF THE SERVICE ENTRANCE STATION.

22 (C) INCLUDE A PROCESS FOR A CUSTOMER TO REQUEST AND
23 INSTALL A METER COLLAR ADAPTER, WHICH PROCESS MUST TAKE NO
24 LONGER THAN THIRTY DAYS AND NOT BE UNDULY BURDENSOME TO THE
25 CUSTOMER; AND

26 (D) ALLOW FOR THE INSTALLATION OF A METER COLLAR ADAPTER
27 BY A PROFESSIONAL CONTRACTOR WITH A VALID ELECTRICIAN LICENSE

1 ISSUED PURSUANT TO ARTICLE 115 OF TITLE 12.

2 **SECTION 4.** In Colorado Revised Statutes, 40-9.5-118, **amend**
3 (2)(d) as follows:

4 **40-9.5-118. Net metering - rules.**

5 (2) Each cooperative electric association shall allow a
6 customer-generator's retail electricity consumption to be offset by the
7 electricity generated from eligible energy resources on the
8 customer-generator's side of the meter that are interconnected with the
9 facilities of the cooperative electric association, subject to the following:

10 (d) **Interconnection standards.** A cooperative electric association
11 and a customer-generator shall comply with the interconnection standards
12 and insurance requirements established in the rules ~~promulgated~~ ADOPTED
13 by the public utilities commission pursuant to section 40-2-124; except
14 that the cooperative electric association may reduce or waive any of the
15 insurance requirements; and except that the public utilities commission
16 shall initiate a rule-making proceeding no later than October 1, 2008, for
17 the purpose of addressing cooperative electric association system issues
18 in its small generator interconnection procedures. A cooperative electric
19 association shall not prevent or unreasonably burden the installation of a
20 net metering system if such system includes protective equipment that
21 prevents any export of customer-generated electricity from the customer's
22 side of the meter. A COOPERATIVE ELECTRIC ASSOCIATION AND A
23 CUSTOMER-GENERATOR SHALL COMPLY WITH THE RULES ADOPTED BY THE
24 PUBLIC UTILITIES COMMISSION PURSUANT TO SECTION 40-2-124 (1.3)
25 REGARDING METER COLLAR ADAPTERS AND PRODUCTION METERS.

26 **SECTION 5. Act subject to petition - effective date.** This act
27 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly (August
2 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
3 referendum petition is filed pursuant to section 1 (3) of article V of the
4 state constitution against this act or an item, section, or part of this act
5 within such period, then the act, item, section, or part will not take effect
6 unless approved by the people at the general election to be held in
7 November 2026 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor.