

HB1227_L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.HB17-1227 be amended as follows:

1 Amend reengrossed bill, page 2, after line 1 insert:

2 "SECTION 1. In Colorado Revised Statutes, 40-3.2-103, amend
3 (2)(c)(I) and (5); and repeal (2)(d) as follows:

4 40-3.2-103. Gas distribution utility demand-side management
5 programs - rules - recovery of costs. (2) As part of the rule-making
6 proceeding required by subsection (1) of this section, the commission
7 shall:

8 (c) (I) Adopt procedures for allowing gas utilities to recover their
9 prudently incurred costs of DSM programs without having to file a rate
10 case. Such THE costs shall MAY include but are not limited to; facility
11 investments; rebates; interest rate buy-downs; incremental labor costs,
12 employee benefits, carrying costs, and employee-related administrative
13 costs; and other administrative costs. All such costs shall be recovered
14 through a cost adjustment mechanism that is set on an annual basis, or
15 more frequently if deemed appropriate.

16 (d) Adopt a bonus structure to reward gas utilities for investments
17 in cost-effective DSM programs. For each year of operation, the bonus
18 shall be capped at twenty-five percent of the expenditures or twenty
19 percent of the net economic benefits of the DSM programs, whichever
20 amount is lower. The amount of the bonus awarded each year shall be
21 determined based on the extent to which the gas utility has achieved the
22 targets established by the commission in accordance with paragraphs (a)
23 and (b) of this subsection (2). The bonus shall not count against a gas
24 utility's authorized rate of return or be considered in rate proceedings.

25 (5) The commission shall authorize each gas utility to recover
26 moneys MONEY spent for education programs, impact and process
27 evaluations, and program planning related to natural gas DSM programs
28 offered by the gas utility without having AND REQUIRE THE GAS UTILITY
29 to show that such expenditures, on an independent basis, are
30 cost-effective. The commission may limit the amount spent for these
31 activities."

32 Renumber succeeding sections accordingly.

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