

HB1227\_L.002

## SENATE COMMITTEE OF REFERENCE AMENDMENT

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

1 Amend reengrossed bill, page 2, strike line 3 and substitute "(2), (4), and  
2 (5) as follows:".

3 Page 3, after line 6 insert:

4           "(4) The commission shall ensure that utilities develop and  
5 implement DSM programs that give all classes of customers an  
6 opportunity to participate and shall give due consideration to the impact  
7 of BUT DO NOT INCLUDE A RECOVERY OF DSM programs on PROGRAM  
8 COSTS FROM nonparticipants and on low-income customers.

9           (5) The commission shall allow an opportunity for a utility's  
10 investments in cost-effective DSM programs to be more profitable to the  
11 utility than any other utility investment that is not already subject to  
12 special incentives. In complying with this subsection (5), the commission  
13 shall MAY consider without limitation, the following incentive  
14 mechanisms AN INCENTIVE TO ALLOW THE UTILITY TO COLLECT THE COSTS  
15 OF DSM PROGRAMS THROUGH A COST ADJUSTMENT CLAUSE, which shall  
16 INCENTIVE MUST take into consideration the performance AND RATEPAYER  
17 COST of the DSM program.

18           (a) ~~An incentive to allow a rate of return on DSM investments that~~  
19 ~~is higher than the utility's rate of return on other investments;~~

20           (b) ~~An incentive to allow the utility to accelerate the depreciation~~  
21 ~~or amortization period for DSM investments;~~

22           (c) ~~An incentive to allow the utility to retain a portion of the net~~  
23 ~~economic benefits associated with a DSM program for its shareholders;~~

24           (d) ~~An incentive to allow the utility to collect the costs of DSM~~  
25 ~~programs through a cost adjustment clause;~~

26           (e) ~~Other incentive mechanisms that the commission deems~~  
27 ~~appropriate."~~

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