

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**



SENATE BILL 17-271

BY SENATOR(S) Cooke, Baumgardner, Gardner, Holbert, Martinez Humenik, Scott, Smallwood, Sonnenberg, Tate;  
also REPRESENTATIVE(S) Pabon, Arndt, Becker K., Esgar, Hansen, Hooton, Kraft-Tharp, Lebsack, Mitsch Bush, Rosenthal, Valdez.

CONCERNING THE DEVELOPMENT OF A TRANSPARENT PROCESS BY WHICH  
AN INVESTOR-OWNED UTILITY MAY RECOVER ACTUAL COSTS FROM  
A PROPERTY OWNER ON WHOSE BEHALF THE UTILITY HAS EXTENDED  
ITS SERVICE BY CONNECTING THE PROPERTY OWNER'S PROPERTY TO  
THE UTILITY'S SERVICE.

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

**SECTION 1.** In Colorado Revised Statutes, **add** 40-5-101.5 as follows:

**40-5-101.5. Investor-owned utilities' service extension policies - commission review - rules.** (1) WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE COMMISSION SHALL OPEN A NONADJUDICATORY PROCEEDING TO EVALUATE INVESTOR-OWNED UTILITIES' CURRENT SERVICE EXTENSION POLICIES FOR SERVING NEW LOAD APPLICATIONS; EXCEPT THAT GAS-ONLY, INVESTOR-OWNED UTILITIES ARE NOT SUBJECT TO THE COMMISSION'S NONADJUDICATORY PROCEEDING.

*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

BASED ON THE COMMISSION'S EVALUATION, THE COMMISSION SHALL ISSUE A DECISION CONTAINING RECOMMENDATIONS TO INVESTOR-OWNED UTILITIES FOR POTENTIAL IMPLEMENTATION.

(2) IN THE COMMISSION'S NONADJUDICATORY PROCEEDING, THE COMMISSION SHALL CONSIDER, WITHOUT LIMITATION, THE FOLLOWING INFORMATION FROM INVESTOR-OWNED UTILITIES:

(a) THE UTILITIES' GENERAL LOAD EXTENSION PROCEDURES USED BY THE UTILITY AND REQUESTING CUSTOMERS, INCLUDING:

(I) THE USE OF CONSTRUCTION AGREEMENTS, REVENUE ASSURANCE AGREEMENTS, ASSIGNMENT OF ESTIMATED COSTS, PREDEVELOPMENT SYSTEM INVESTMENT PROTOCOLS, AND OPTIONS FOR COST AND SCHEDULE TRANSPARENCY; AND

(II) POTENTIAL SYSTEM AUTOMATION BENEFITS TO ENHANCE CLARITY OF THE REQUIREMENTS AND PROCESS;

(b) EQUITABLE ALLOCATION OF COSTS ASSOCIATED WITH AN EXTENSION OF FACILITIES AND ANY OTHER FACTORS AFFECTING THE COST OF AN EXTENSION OF FACILITIES; AND

(c) VARIABLES THAT AFFECT TIME LINES FOR CONSTRUCTION AND IMPLEMENTATION OF AN EXTENSION OF FACILITIES.

(3) WITHIN NINETY DAYS AFTER THE CONCLUSION OF THE NONADJUDICATORY PROCEEDING, THE COMMISSION MAY PROMULGATE RULES CONSISTENT WITH THE FINDINGS OF THE NONADJUDICATORY PROCEEDING.

**SECTION 2. 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 (August 9, 2017, if adjournment sine die is on May 10, 2017); 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 2018 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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Kevin J. Grantham  
PRESIDENT OF  
THE SENATE

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Crisanta Duran  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Effie Ameen  
SECRETARY OF  
THE SENATE

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Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

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John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO