COLORADO DEPARTMENT OF REGULATORY AGENCIES

Public Utilities Commission

4 *CODE OF COLORADO REGULATIONS* (CCR) 723-3

PART 3
RULES REGULATING ELECTRIC UTILITIES

BASIS, PURPOSE, AND STATUTORY AUTHORITY.

The basis and purpose of these rules is to describe the electric service to be provided by jurisdictional utilities and master meter operators to their customers; to designate the manner of regulation over such utilities and master meter operators; and to describe the services these utilities and master meter operators shall provide. In addition, these rules identify the specific provisions applicable to public utilities or other persons over which the Commission has limited jurisdiction. These rules address a wide variety of subject areas including, but not limited to, service interruption, meter testing and accuracy, safety, customer information, customer deposits, rate schedules and tariffs, discontinuance of service, master meter operations, flexible regulation, procedures for administering the Low-Income Energy Assistance Act, electric service low-income program, cost allocation between regulated and unregulated operations, recovery of costs, the acquisition of renewable energy, small power producers and cogeneration facilities, and appeals regarding local government land use decisions. The statutory authority for these rules can be found at §§ 29-20-108, 40-1-103.5, 40-2-108, 40-2-124(2), 40-3-102, 40-3-103, 40-3-104.3, 40-3-106, 40-3-111, 40-3-114, 40-4-101, 40-4-106, 40-4-108, 40-4-109, 40-5-103, 40-7-113.5, 40-7-116.5, 40-8.7-105(5), and 40-9.5-107(5), C.R.S.

GENERAL PROVISIONS

3000. Scope and Applicability.

(a) Absent a specific statute, rule, or Commission Order which provides otherwise, all rules in this Part 3 (the 3000 series) shall apply to all jurisdictional electric utilities and electric master meter operators and to Commission proceedings concerning electric utilities or electric master meter operators providing electric service.

(b) The following rules in this Part 3 shall apply to cooperative electric associations which have elected to exempt themselves from the Public Utilities Law pursuant to § 40-9.5-103, C.R.S.:

(I) Rules 3002 (a)(I), (a)(II), (a)(IV), (a)(V), (a)(XVI), (b), and (c) concerning the filing of applications for certificate of public convenience and necessity for franchise or service territory, for certificate amendments, to merge or transfer, or for appeals of local land use decisions.

(II) Rules 3005 (a)(III) (IV), (d), (e), (g), and (h) concerning records under RUS accounting system and preservation of records.

(III) Rule 3006 (a) (b) (c) (d) and (e) concerning the filing of annual reports, designation for service of process, and election of applicability of Title 40, Article 8.5.

(IV) Rules 3008 (b) and (d) concerning incorporation by reference.

(V) Rules 3100 and 3103 concerning application for and amendment of a certificate of public convenience and necessity relating to a franchise.

(VI) Rules 3101 and 3103 concerning application for and amendment of a certificate of public convenience and necessity relating to service territory.

(VII) Rule 3104 concerning application to transfer assets, to obtain a controlling interest, or to merge with another entity.

(VIII) Rule 3204 concerning incidents occurring in connection with the operation of facilities.

(IX) Rule 3207 (a) and (b), concerning construction and expansion of distribution facilities.

(X) Rules 3250 through 3253 concerning major event reporting.

(XI) Rule 3411 concerning the Low-Income Energy Assistance Act unless the cooperative electric association has exempted themselves pursuant to rule 3411(c).

(XII) Rules 3650(b), 3651, 3652, 3654(b), (d) through (i), and (l); 3659(a)(I) through (a)(V), (b) and (d) through (i), 3660(l), 3661(b), (c), (g), and (i), 3662(a)(I), (a)(II), (a)(IV) through (a)(X), (a)(XIII), (a)(XV), (b), (d) and (e), and 3667.

(XIII) Rules 3700 through 3707 concerning appeals of local governmental land use decisions actions.

(c) The following rules in this Part 3 shall apply to **cooperative electric generation and transmission associations**:

(I) Rules 3002 (a)(III), (a)(XVI), (b), and (c) concerning the filing of applications for certificates of public convenience and necessity for facilities or for appeals of local land use decisions.

(II) Rule 3006(j) concerning the filing of electric resource planning reports.

(III) Rule 3102 concerning applications for certificates of public convenience and necessity for facilities.

(IV) Rule 3103 concerning amendments to certificates of public convenience and necessity for facilities.

(V) Rule 3104 concerning application to transfer, to obtain a controlling interest, or to merger with another entity.

(VI) Rule 3200 concerning construction, installation, maintenance, and operation of facilities.

(VII) Rule 3204 concerning incidents occurring in connection with the operation of facilities.

(VIII) Rule 3205 concerning construction or expansion of generating capacity.

(IX) Rule 3206 concerning construction or extension of transmission facilities.

(X) Rule 3253(a) concerning major event reporting.

(XI) Rules 3602, 3605, and 3618 (a) concerning electric resource planning.

(XII) Rules 3650(e), 3651, 3652, 3662(f), and 3668(d) concerning the renewable energy standard.

(XIII) Rules 3700 through 3707 concerning appeals of local governmental land use decisions actions.

(d) The following rules in this Part 3 shall apply to municipally owned utilities, which are qualifying retail utilities:

(I) Rules 3650(c), 3651, 3652, 3653, 3654(b), (c), (d) through (i) and (l); 3659(a)(I) through (a)(V), (b), (d) through (i), 3666, and 3668(d).

(e) The following rules in this Part 3 shall apply to municipally owned utilities which are not qualifying retail utilities:

(I) Rules 3650(d).

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[indicates omission of unaffected rules]

RENEWABLE ENERGY STANDARD

3650. Applicability.

(a) Rules 3650 through 3668 shall apply to all investor owned jurisdictional electric utilities in the state of Colorado that are subject to the Commission's regulatory authority.

(b) Rules 3651, 3652, 3654(b), (d) through (i), and (l), 3659(a)(I) through (a)(V), (b), (d) through (i), 3660(l), 3661(b), (c), (g),and (i), 3662(a)(I), (a)(II), (a)(IV) through (a)(X), (a)(XIII), (a)(XV), (b), (d) and (e), and 3667 shall apply to cooperative electric associations in the state of Colorado.

(c) Rules 3651, 3652, 3653, 3654(b), (c), (d) through (i) and (l), 3659(a)(I) through (a)(V), (b), (d) through (i) shall apply to municipally owned electric utilities in the state of Colorado, which are QRUs.

(d) The board of directors of each municipally owned electric utility not subject to these rules may, at its option, submit the question of whether to be subject to these rules to its consumers on a one meter equals one vote basis. Approval by a majority of those voting in the election shall be required for such inclusion, providing that a minimum of 25 percent of eligible consumers participates in the election.

(I) Within 45 days of the conclusion of any vote to be subject to these rules, the municipally owned electric utility shall provide written notification of the outcome of the vote to the Director of the Commission.

(e) Rules 3650, 3651, 3652, 3662(f), and 3668(d) shall apply to cooperative electric generation and transmission associations.

(f) Nothing in these rules is intended to expand the Commission's regulatory oversight and powers over municipally owned electric utilities, cooperative electric associations, or cooperative electric generation and transmission association.

3651. Overview and Purpose.

The purpose of these rules is to establish a process to implement the renewable energy standard for qualifying retail utilities in Colorado, pursuant to § 40-2-124, C.R.S.

Section 40-2-124, C.R.S., was enacted by the voters of the State of Colorado as 2004 Ballot Amendment 37 and was amended by the 2005 Colorado General Assembly by Senate Bill 05-143. Section 40-2-124 was further amended by the 2007 Colorado General Assembly by House Bill 07-1281. The 2008 Colorado General Assembly amended, by House Bill 08-1160, provisions of § 40-2-124, C.R.S., and added § 40-9.5-118, C.R.S., to cause cooperative electric associations to come under the Commission's interconnection rules. The 2009 Colorado General Assembly further amended § 40-2-124, C.R.S., by Senate Bill 09-051, and the 2010 Colorado General Assembly again amended § 40-2-124, C.R.S., by House Bills 10-1001, and 10-1418. House Bill 10-1342, which added the concept of community solar gardens to § 40-2-127, C.R.S., and referenced § 40-2-124, C.R.S., is also reflected in these rules. House Bill 10-1349 also created the Re-energize Colorado program concerning net metering for the Colorado Division of Parks and Outdoor Recreation. The Colorado General Assembly further amended § 40-2-124, C.R.S., by Senate Bill 13-252, which expanded eligible energy resources, modified the compliance multipliers for eligible energy, and changed the standards for cooperative electric associations.

Energy is critically important to Colorado's welfare and development, and its use has a profound impact on the economy and environment. Growth of the state's population and economic base will continue to create a need for new energy resources, and Colorado's renewable energy resources are currently underutilized.

Therefore, in order to save consumers and businesses money, attract new businesses and jobs, promote development of rural economies, minimize water use for electricity generation, diversify Colorado's energy resources, reduce the impact of volatile fuel prices, and improve the natural environment of the state, it is in the best interests of the citizens of Colorado to develop and utilize renewable energy resources to the maximum practicable extent.

It is the policy of this State to encourage local ownership of renewable energy generation facilities to improve the financial stability of rural communities.

3652. Definitions.

The following definitions apply only to rules 3650 – 3668. In the event of a conflict between these definitions and a statutory definition, the statutory definition shall apply.

(a) "Annual compliance report" means the report a QRU is required to file annually with the Commission pursuant to rule 3662 to demonstrate compliance with the Renewable Energy Standard.

(b) "Biomass" means nontoxic plant matter consisting of agricultural crops or their byproducts, urban wood waste, mill residue, slash, or brush; animal wastes and products of animal wastes; or methane produced at landfills or as a by-product of the treatment of wastewater residuals. With respect to nontoxic plant matter obtained from forests, both slash and brush shall mean products and materials derived from forest restoration and management, including, but not limited to, harvesting residues, precommercial thinnings, and materials removed as part of a federally recognized timber sale or removed to reduce hazardous fuels, to reduce or contain disease or insect infestation, or to restore ecosystem health.

(c) "Coal mine methane" means methane captured from inactive coal mines where the methane is escaping to the atmosphere or from active coal mines where the methane vented in the normal course of mine operations is naturally escaping to the atmosphere.

(d) "Community-based project" means a project that meets the following three conditions: (1) the project is owned by individual residents of a community, by an organization or cooperative that is controlled by individual residents of the community, by a local government entity, or by a tribal council; (2) the project's generating capacity does not exceed 30 megawatts; and (3) there exists a resolution of support adopted by the local governing body of each local jurisdiction in which the project is to be located.

(e) "Community solar garden" or "CSG" means a solar electric generation facility with a nameplate rating of two megawatts or less that is located in or near a community served by an investor owned QRU where the beneficial use of the renewable energy generated by the facility belongs to the subscribers of the CSG. A CSG shall have at least ten CSG subscribers. A CSG shall be deemed to be located on the site of each subscribing customer's facilities for the purpose of crediting the CSG subscribers' bills for the renewable energy purchased from the CSG by the investor owned QRU. The renewable energy generated by a CSG shall be sold only to the investor owned QRU serving the geographic area where the CSG is located. The renewable energy generated by a CSG shall constitute retail renewable distributed generation under paragraph 3652(ff).

(f) "Compliance plan" means the annual plan a QRU is required to file with the Commission pursuant to rule 3657.

(g) "Compliance year" means a calendar year for which the renewable energy standard is applicable.

(h) "CSG owner" means the owner of the solar generation facilities installed at a CSG that contracts to sell the unsubscribed renewable energy and RECs generated by the CSG to an investor owned QRU. A CSG subscriber organization operating a CSG not owned by it will be deemed to be a CSG owner for purposes of these rules. A CSG owner may be the QRU or any other for-profit or nonprofit entity or organization, including a CSG subscriber organization.

(i) "CSG subscriber" means a retail customer of an investor owned QRU who owns a subscription to a CSG and who has identified one or more premises served by the QRU to which the CSG subscription shall be attributed.

(j) "CSG subscriber organization" means any for-profit or nonprofit entity permitted by Colorado law and whose sole purpose shall be:

(I) To beneficially own and operate the CSG; or

(II) To operate the CSG that is built, owned, and operated by a third party under contract with such CSG subscriber organization.

(k) "CSG subscription" means a proportionate interest in the beneficial use of the electricity generated by the CSG, including without limitation, the renewable energy and RECs associated with or attributable to the CSG.

(l) "Early eligible energy resources" are eligible energy resources, excluding retail renewable distributed generation, where the utility certifies that the resource is commercially operational and can produce energy under the terms of its contract, prior to January 1, 2015.

(m) "Eligible energy" means renewable energy, recycled energy, or greenhouse gas neutral electricity generated by a facility using coal mine methane or synthetic gas.

(n) "Eligible energy resources" are renewable energy resources or facilities that generate recycled energy or greenhouse gas neutral electricity generated using coal mine methane or synthetic gas.

(o) "Eligible low-income CSG subscriber" means a residential customer of an investor owned QRU who:

(I) Has a household income at or below one hundred eighty-five percent of the current federal poverty level, as published each year in the federal register by the U.S. Department of Health and Human Services; and

(II) Otherwise meets the eligibility criteria set forth in rules of the Colorado Department of Human Services adopted pursuant to § 40-8.5-105, C.R.S.

(p) "Greenhouse gas neutral electricity" means electricity generated by facilities using coal mine methane or synthetic gas that the Commission has determined to be greenhouse gas neutral on a CO_2 equivalent basis pursuant to 40-2-124(1)(a)(IV), C.R.S.

(q) "On-site solar system" means a solar renewable energy system that is retail renewable distributed generation.

(r) "Person" means Commission staff or any individual, firm, partnership, corporation, company, association, cooperative association, joint stock association, joint venture, governmental entity, or other legal entity.

(s) "Pyrolysis" means the thermochemical decomposition of material at elevated temperatures without the participation of oxygen.

(t) "Qualifying retail utility" or "QRU" means any provider of retail electric service in the state of Colorado other than municipally owned electric utilities that serve 40,000 customers or fewer.

(u) "Qualifying wholesale utility" means a generation and transmission cooperative electric association that provides wholesale electric service directly to Colorado cooperative electric associations that are its members.

(v) "Recycled energy" means energy produced by a generation unit with a nameplate capacity of not more than fifteen megawatts that converts the otherwise lost energy from the heat from exhaust stacks or pipes to electricity and that does not combust additional fossil fuel. Recycled energy does not include energy produced by any system that uses energy, lost or otherwise, from a process whose primary purpose is the generation of electricity, including, without limitation, any process involving engine-driven generation or pumped hydroelectricity generation.

(w) "Renewable distributed generation" means retail renewable distributed generation and wholesale renewable distributed generation.

(x) "Renewable energy" means energy generated from renewable energy resources including renewable distributed generation.

(y) "Renewable energy credit" or "REC" means a contractual right to the full set of non-energy attributes, including any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever entitled, directly attributable to a specific amount of electric energy generated from a renewable energy resource. One REC results from one megawatt-hour of electric energy generated from a renewable energy resource. For the purposes of these rules, RECs acquired from on-site solar systems before August 11, 2010 shall qualify as RECs from retail renewable distributed generation for purposes of demonstrating compliance with the renewable energy standard. RECs acquired from off-grid on-site solar systems prior to August 11, 2010 shall also qualify as RECs from retail renewable distributed generation for purposes of demonstrating compliance with the renewable energy standard.

(z) "Renewable energy credit contract" means a contract for the sale of renewable energy credits without the associated energy.

(aa) "Renewable energy resource" means facilities that generate electricity by means of the following energy sources: solar radiation, wind, geothermal, biomass, hydropower, and fuel cells using hydrogen derived from eligible energy resources. Fossil and nuclear fuels and their derivatives are not eligible energy resources. Hydropower resources in existence on January 1, 2005 must have a nameplate rating of 30 megawatts or less. Hydropower resources not in existence on January 1, 2005 must have a nameplate rating of ten megawatts or less.

(bb) "Renewable energy standard" means the electric resource standard for eligible energy resources specified in § 40-2-124, C.R.S.

(cc) "Renewable energy standard adjustment" or "RESA" means a forward-looking cost recovery mechanism used by an investor owned QRU to provide funding for implementing the renewable energy standard.

(dd) "Renewable energy supply contract" means a contract for the sale of renewable energy and the RECs associated with such renewable energy. If the contract is silent as to renewable energy

credits, the renewable energy credits will be deemed to be combined with the energy transferred under the contract.

(ee) "Retail electricity sales" means electric energy sold to retail end-use electric consumers by a QRU or an electric utility that is eligible to become a QRU pursuant to § 40-2-124(5)(b), C.R.S,

(ff) "Retail renewable distributed generation" means a renewable energy resource that is located on the premises of an end-use electric consumer and is interconnected on the end-use electric consumer's side of the meter. For the purposes of this definition, the non-residential end-use electric customer, prior to the installation of the renewable energy resource, shall not have its primary business being the generation of electricity for retail or wholesale sale from the same facility. In addition, at the time of the installation of the renewable energy resource, the non-residential end-use electric customer must use its existing facility for a legitimate commercial, industrial, governmental, or educational purpose other than the generation of electricity. Retail renewable distributed generation shall be sized to supply no more than one hundred twenty percent of the average annual consumption of electricity by the end-use electric consumer at that site. The end-use electric consumer's site shall include all contiguous property owned or leased by the consumer, without regard to interruptions in contiguity caused by easements, public thoroughfares, transportation rights-of-way, or utility rights-of-way.

(gg) "Rural renewable project" means a renewable energy resource with a nameplate rating of 30 MW or less that interconnects to electric transmission or distribution facilities owned by a cooperative electric association or municipally owned utility at a point of interconnection of 69 kV or less.

(hh) "Service entrance capacity" means the capacity of the QRU's electric service conductors that are physically connected to the customer's electric service entrance conductors.

(ii) "Solar renewable energy system" means a system that uses solar radiation energy to generate electricity.

(jj) "Standard rebate offer" or "SRO" means a standardized incentive program offered by a QRU to its retail electric service customers for on-site solar systems as set forth in rule 3658.

(kk) "Synthetic gas" means gas fuel produced through the pyrolysis of municipal solid waste.

(ll) "Wholesale renewable distributed generation" means a renewable energy resource with a nameplate rating of 30 megawatts or less that does not qualify as retail renewable distributed generation.

3653. Municipal Utilities.

(a) Each municipally owned QRU implementing a renewable energy standard substantially similar to the provisions of § 40-2-124, C.R.S., shall submit a statement to the Commission that demonstrates its renewable energy standard program, at a minimum, meets the following criteria:

(I) The eligible energy resources shall be limited to those identified in subsection § 40-2-124(1)(a);

(II) The percentage requirements shall be equal to or greater in the same years than those identified in subsection § 40-2-124(1)(c)(V) and counted in the manner allowed by rule 3654; and

(III) The utility must have an optional pricing program in effect that allows retail customers the option to support through utility rates emerging renewable energy technologies.

(b) The statement to be submitted by a municipally owned QRU is for information purposes only and is not subject to approval by the Commission. Upon filing of the certification statement, the municipally owned QRU shall have no further obligations under these rules.

(c) Nothing in this section prohibits a municipally owned electric utility from buying and selling RECs.

3654. Renewable Energy Standard.

(a) Each investor owned QRU shall generate or cause to be generated (through purchase or by providing rebates or other form of incentive) eligible energy, including the renewable distributed generation required under paragraphs 3655(a) and (b), in the following minimum amounts:

(I) Three percent of its retail electricity sales in Colorado for the compliance year 2007;

(II) Five percent of its retail electricity sales in Colorado for each of the compliance years 2008 through 2010;

(III) Twelve percent of its retail electricity sales in Colorado for each of the compliance years 2011 through 2014;

(IV) Twenty percent of its retail electricity sales in Colorado for each of the compliance years 2015 through 2019; and

(V) Thirty percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter.

(b) Each cooperative electric association QRU that serves fewer than 100,000 meters and municipally owned QRU shall generate or cause to be generated eligible energy in the following minimum amounts:

(I) One percent of its retail electricity sales in Colorado for each of the compliance years 2008 through 2010;

(II) Three percent of its retail electricity sales in Colorado for each of the compliance years 2011 through 2014;

(III) Six percent of its retail electricity sales in Colorado for each of the compliance years 2015 through 2019; and

(IV) Ten percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter

(c) Each cooperative electric association QRU that serves 100,000 or more meters shall generate or cause to be generated eligible energy in amounts that are at least 20 percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter.

(d) For municipal utilities that become municipally owned QRUs after December 31, 2006, the minimum percentage requirements of eligible energy shall begin in the first calendar year following qualification as follows:

(I) Years one through three: One percent of retail electricity sales;

(II) Years four through seven: Three percent of retail electricity sales;

(III) Years eight through twelve: Six percent of retail electricity sales; and

(IV) Years thirteen and thereafter: Ten percent of retail electricity sales.

(e) For purposes of compliance with the renewable energy standard specified in rules 3654(b) and (c), for cooperative electric association QRUs and municipal QRUs, each kilowatt-hour of eligible energy generated from solar electric generation technology shall be counted as 3.0 kilowatt-hours of eligible energy, provided that the solar electric generation technology commenced producing electricity prior to July 1, 2015. For solar electric generation technology that commenced producing electricity on or after July 1, 2015, each kilowatt-hour of eligible energy generated from solar electric generation technology shall be counted as 1.0 kilowatt-hours of eligible energy for compliance purposes.

(f) For purposes of compliance with the renewable energy standard, each kilowatt-hour of eligible energy generated by an early eligible energy resource shall be counted as 1.25 kilowatt-hours of eligible energy. Eligible energy generated by retail renewable distributed generation for which a QRU has entered into a purchase transaction prior to August 11, 2010 shall also be counted as 1.25 kilowatt-hours of eligible energy.

(g) For purposes of compliance with the renewable energy standard, each kilowatt-hour of eligible energy generated from a community-based project shall be counted as 1.5 kilowatt-hours of eligible energy.

(h) For purposes of compliance with the renewable energy standard, each kilowatt-hour of eligible energy generated from a rural renewable project may be counted as two kilowatt-hours of eligible energy subject to the restrictions on rural renewable projects in rule 3666.

(i) For purposes of compliance with the renewable energy standard, each kilowatt-hour of eligible energy shall be subject to only one of the compliance multipliers in paragraphs 3654(e), (f), (g) or (h).

(j) For purposes of compliance with the renewable energy standard, a QRU may generate, or cause to be generated, and count eligible energy or RECs for compliance:

(I) For the compliance year immediately preceding the compliance year during which they were generated, provided that such eligible energy or RECs are generated no later than July 1 of the calendar year immediately following the end of the compliance year for which they are being counted;

(II) For the compliance year during which they were generated; or

(III) For the five compliance years immediately following the compliance year during which they were generated.

(IV) Eligible energy or RECs generated on or after January 1, 2004 may be counted for compliance with this renewable energy standard. Eligible energy or RECs generated on or before December 31, 2003 shall not be eligible for, and shall not be counted for, compliance with this renewable energy standard. The eligibility for compliance of all eligible energy and RECs shall expire at the end of the fifth calendar year following the calendar year during which they were generated.

(k) For purposes of compliance with this renewable energy standard, a QRU may substitute the equivalent RECs for eligible energy.

(l) For the first four compliance years, 2007 through 2010, the QRU may borrow forward eligible energy and RECs generated during the following two compliance years. Any borrowed eligible energy and RECs generated during a compliance year must be made up by actual eligible energy and RECs generated during that compliance year or borrowed from subsequent compliance years, provided that the fourth compliance year is the last compliance year that borrowing forward may occur pursuant to this rule. For purposes of this rule, the term “borrow forward” means that a QRU may count eligible energy and RECs that it has not yet generated or caused to be generated to satisfy its current year obligations toward compliance with the renewable energy standard and the term “made up” means that any counting of eligible energy and RECs by a QRU in a compliance year that it had not actually generated nor caused to be generated shall be actually generated or caused to be generated in a subsequent year.

(m) For the first four compliance years, 2007 through 2010, no administrative penalties shall be assessed against an investor owned QRU if the failure to meet the renewable energy standard results from events beyond the reasonable control of the QRU which could not have reasonably been mitigated by the QRU.

(n) For purposes of compliance with this renewable energy standard, there shall be no “double counting” of eligible energy or RECs. RECs shall be used for a single purpose only, and shall be retired upon use for that purpose. Notwithstanding the foregoing, eligible energy and RECs generated or acquired by a QRU and counted toward compliance with a federal renewable energy standard may also be counted by the QRU toward compliance with the state renewable energy standard.

(o) RECs associated with eligible energy sold by the investor owned QRU under an optional renewable energy pricing program shall be retired by the investor owned QRU and may not be counted by the investor owned QRU toward compliance with the renewable energy standard.

(p) For purposes of compliance with this renewable energy standard, if a generation system uses a combination of fossil fuel and eligible energy resources to generate electricity, a QRU may count only as eligible energy the proportion of the total electric output of the generation system that results from the use of eligible energy resources. The QRU shall include in its annual compliance plan the method of calculation used to determine the proportion of eligible energy.

(q) The QRU may generate, or cause to be generated, eligible energy without regard to economic dispatch procedures.

3655. Renewable Distributed Generation.

(a) In conjunction with the renewable energy standard set forth in paragraph 3654(a), each investor owned QRU shall generate or cause to be generated (through purchase or by providing rebates or other form of incentive) renewable distributed generation in the following minimum amounts, unless the Commission amends such minimum amounts under paragraph 3655(c):

(I) One percent of its retail electricity sales in Colorado for each of the compliance years 2011 through 2012;

(II) One and one-fourth percent of its retail electricity sales in Colorado for each of the compliance years 2013 through 2014;

(III) One and three-fourths percent of its retail electricity sales in Colorado for each of the compliance years 2015 through 2016;

(IV) Two percent of its retail electricity sales in Colorado for each of the compliance years 2017 through 2019;

(V) Three percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter.

(b) Of the amounts of renewable distributed generation set forth in paragraph 3655(a), at least one-half shall be derived from retail renewable distributed generation unless modified by the Commission under paragraph 3655(c).

(c) The Commission may change the minimum amounts of retail renewable distributed generation and wholesale renewable distributed generation set forth in paragraphs 3655(a) and (b) pursuant to a filing under paragraph 3657(a). The Commission may reduce the minimum amounts of retail renewable distributed generation and wholesale renewable distributed generation set forth in paragraphs 3655(a) and (b) for effect after December 31, 2014 upon finding that those minimum amounts are no longer in the public interest. In the event that the Commission finds that the public interest requires an increase in such minimum amounts after December 31, 2014, the Commission shall report such findings to the Colorado General Assembly.

(d) The investor owned QRU may propose in a compliance plan filing under rule 3657, or by a separate application, that the Commission reduce the percentages set forth in paragraph 3655(a) and (b).

(e) Renewable energy credits associated with retail renewable distributed generation and wholesale renewable distributed generation will be used to comply with the renewable distributed generation requirements as set forth in this rule 3655. Eligible energy and RECs produced by renewable distributed generation shall be governed by rules 3654 and 3659, unless otherwise exempt from those provisions.

(f) In a final decision concerning the investor owned QRU's compliance plan, as between residential and nonresidential retail renewable distributed generation, the Commission shall direct the investor owned QRU to allocate its expenditures for the acquisition of retail renewable distributed generation according to the proportion of RESA revenues derived from each of these customer groups; except that the investor owned QRU may acquire retail renewable distribution generation at levels that differ from these group allocations based upon market response to the QRU's programs.

(g) RECs generated from CSGs shall not be used to achieve more than 20 percent of the retail renewable distributed generation requirements as set forth in paragraph 3655(a) for compliance years 2011, 2012, and 2013.

(h) In conjunction with the renewable energy standard set forth in subparagraph 3654(b)(IV), each cooperative electric association QRU that serves 10,000 or more meters but less than 100,000 meters shall generate or cause to be generated renewable distributed generation in amounts that are at least one percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter. At least one-half of the renewable distributed generation shall be derived from retail renewable distributed generation.

(i) In conjunction with the renewable energy standard set forth in subparagraph 3654(b)(IV), each cooperative electric association QRU that serves fewer than 10,000 meters may generate or cause to be generated renewable distributed generation in amounts that are at least three-fourths percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter. At least one-half of the renewable distributed generation shall be derived from retail renewable distributed generation.

(j) In conjunction with the renewable energy standard set forth in paragraph 3654(c), each cooperative electric association QRU that serves 100,000 or more meters shall generate or cause to be generated renewable distributed generation in amounts that are at least one percent of its retail electricity sales in Colorado for each of the compliance years beginning in 2020 and continuing thereafter. At least one-half of the renewable distributed generation shall be derived from retail renewable distributed generation.

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[indicates omission of unaffected rules]

3658. Standard Rebate Offer.

(a) Each investor owned QRU shall make available to its retail electricity customers a standard rebate offer (SRO) expressed in terms of dollars per watt for on-site solar systems that become operational on or after December 1, 2004. The SRO shall be $2.00 per watt except that the Commission may set the SRO at a lower amount upon finding that market changes support such lower amount.

(b) The maximum rebate per site shall be 100 kW times the SRO. At the investor owned QRU's option, the SRO may be paid based upon the direct current (DC) watts produced by the on-site solar systems. The SRO shall be contingent upon the transfer to the investor owned QRU of the RECs produced by the on-site solar system. Any RECs acquired by the investor owned QRU pursuant to such SRO program, regardless of whether the associated renewable energy is specifically metered or contractually specified without specific metering, may be counted by the investor owned QRU for purposes of compliance with the renewable energy standard.

(c) When establishing an SRO below $2.00 per watt, the Commission shall target an amount such that the SRO, in combination with the investor owned QRU's standard offers to purchase RECs from on-site solar systems and with other financial incentives and tax benefits, results in reasonable overall levels of incentives to the customers participating in the investor owned QRU's SRO programs.

(d) With each compliance plan filed by the investor owned QRU under rule 3657, or by separate application, the investor owned QRU may propose that the Commission reduce the SRO in accordance with projected changes in the standard prices the investor owned QRU offers customers for RECs from on-site solar systems.

(e) Investor owned QRUs may establish one or more standard offers to purchase RECs from on-site solar systems that meet the definition of paragraph 3652(ff) so long as the on-site solar system is 500 kW or less in size. Subject to the retail rate impact in rule 3661:

(I) The investor owned QRU shall design standard offers that allow consumers of all income levels to obtain the benefits offered by on-site solar systems and that extend participation to consumers in all market segments eligible for SRO programs.

(II) The QRU shall have the discretion to determine, in a nondiscriminatory manner, the price it will pay for RECs from on-site solar systems that are no larger than 500 kW.

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[indicates omission of unaffected rules]

3659. Renewable Energy Credits.

(a) Renewable energy credits, recycled energy, or greenhouse gas neutral electricity shall be used to comply with the renewable energy standard. Eligible RECs acquired by contracts or through a system of tradable renewable energy credits, exchanges, or brokers may also be used by QRUs to comply with this standard. In calculating compliance, the total RECs acquired from renewable energy resources during a compliance year may include:

(I) RECs generated by renewable energy resources owned by the QRU or by a QRU affiliate;

(II) RECs acquired by the QRU pursuant to renewable energy supply contracts;

(III) RECs acquired by the QRU pursuant to renewable energy credit contracts;

(IV) RECs acquired by the QRU pursuant to a standard offer program;

(V) RECs acquired through a system of tradable renewable energy credits, from exchanges or from brokers

(VI) RECs carried forward from previous compliance years, pursuant to rule 3654;

(VII) RECs borrowed forward from future compliance years, pursuant to rule 3654.

(b) RECs representing electricity generated at renewable energy resources shall be counted for compliance purposes consistent with the compliance multipliers in paragraphs 3654 (e), (f), (g), or (h).

(c) The Commission shall not restrict the investor owned QRU's ownership of RECs if the investor owned QRU complies with both the renewable energy standard established in rule 3654 and the requirements for renewable distributed generation established in rule 3655 and if the investor owned QRU complies with the retail rate impact established in rule 3661.

(d) All contracts between QRUs and the owners of renewable energy resources entered into after the effective day of these rules shall clearly specify the entity who shall own the RECs associated with the energy generated by the facility.

(e) A REC shall expire at the end of the fifth calendar year following the calendar year during which it was generated.

(f) RECs shall be used for a single purpose only, and shall expire or be retired upon use for that purpose. All RECs utilized by the QRU to comply with the renewable energy standard:

(I) May not be sold or otherwise exchanged with any other party, or in any other state or jurisdiction;

(II) May not be included within a blended energy product certified to include a fixed percentage of renewable energy in any other state or jurisdiction;

(III) May be counted simultaneously toward compliance with a federal renewable portfolio standard and with the renewable energy standard.

(g) RECs that are generated with fuel cell energy using hydrogen derived from an eligible energy resource are eligible for compliance purposes only to the extent that the energy used to generate the hydrogen did not create renewable energy credits.

(h) If a renewable energy system uses a renewable energy resource in combination with a nonrenewable energy source to generate electricity, only the RECs associated with the proportion of the total electric output of the renewable energy system that results from the use of renewable energy resources shall be eligible to count toward compliance with the renewable energy standard.

(i) If an on-site solar systems of ten kW or below has received a one-time REC payment from a QRU under rule 3658, the QRU shall be entitled to count the anticipated RECs purchased by the one-time REC payment for compliance with the renewable energy standard even if the on-site solar systems is removed or becomes inoperable.

(j) All renewable energy resources located in the region covered by the Western Electricity Coordinating Council (WECC) that generate RECs used by an investor owned QRU for compliance with the renewable energy standard shall be registered with the Western Renewable Energy Generation Information System (WREGIS) and shall record their RECs in WREGIS, after August 11, 2010, with the exception of retail renewable distributed generation facilities less than one megawatt.

(k) All investor owned QRUs shall register in WREGIS. The investor owned QRU shall recover through its RESA the costs associated with WREGIS that are allocated to its retail customers.

(l) To the extent that the investor owned QRU acquires RECs from renewable energy resources that are not recorded in WREGIS, the investor owned QRU shall record such RECs in a central database. The database shall include, but not be limited to, a list of the renewable distributed generation whose RECs the investor owned QRU intends to use for compliance with the renewable energy standard under rule 3654 and the requirements for renewable distributed generation under rule 3655, including its type, location, owner, operator, and start of operation. The database shall also record the RECs generated and the ownership, transfer and retirement of those RECs.

(m) An investor owned QRU may own and use for compliance with the renewable energy standard RECs generated by renewable energy resources that the Commission has designated as new energy technologies or demonstration projects under § 40-2-123(1)(a), C.R.S., and that are therefore not subject to the retail rate impact established in rule 3661.

(n) The investor owned QRU shall have the discretion to sell or trade RECs at any time as long as the investor owned QRU obtains and retires sufficient levels of RECs to comply with the renewable energy standard under rule 3654 and the requirements for renewable distributed generation under rule 3655. Proceeds from the sales of RECs shall be credited to the account associated with the RESA. The investor owned QRU may seek approval in an annual compliance plan filing under rule 3657 or by separate application to retain as earnings a percentage of the funds from REC sales that the investor owned QRU expects to have available to acquire eligible energy and RECs under the retail rate impact in rule 3661 for the compliance year. In considering the percentage of funds to be retained as earnings by the investor owned QRU, the Commission shall take into account the development of the REC market and the expected value added by the investor owned QRU in marketing and trading the RECs.

3660. Cost Recovery and Incentives.

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[indicates omission of unaffected rules]

(l) Each wholesale energy provider shall offer to its wholesale customers that are cooperative electric associations the opportunity to purchase their load ratio share of the wholesale energy provider's electricity from eligible energy resources. If a wholesale customer agrees to pay the full costs associated with the acquisition of eligible energy resources and associated renewable energy credits by its wholesale provider by providing notice of its intent to pay the full costs within sixty days after the wholesale provider extends the offer, the wholesale customer shall be entitled to receive the appropriate credit toward the renewable energy standard as well as any associated renewable energy credits. To the extent that the full costs are not recovered from wholesale customers, a qualifying retail utility shall be entitled to recover those costs from retail customers.

3661. Retail Rate Impact.

(a) The net retail rate impact of actions taken by an investor owned QRU to comply with the renewable energy standard shall not exceed two percent of the total electric bill annually for each customer of that QRU. However, a retail customer who installs renewable distributed generation may pay a RESA charge under paragraph 3664(h) that exceeds two percent of that customer's annual electric bill.

(b) The net retail rate impact of actions taken by a cooperative electric association QRU to comply with the renewable energy standard shall not exceed two percent of the total electric bill annually for each customer of that QRU.

(c) The net retail rate impact shall include the prudently incurred direct and indirect costs of all actions by a QRU to meet the renewable energy standard, including, but not limited to, program administration, rebates and performance-based incentives, payments under renewable energy supply contracts, payments under renewable energy credit contracts, payments made for RECs purchased through brokers or exchanges, computer modeling and analysis time, QRU investment in and return on investment for eligible energy resources, and expenditures made to purchase unsubscribed energy and RECs from CSGs.

(d) The administrative costs of a QRU to implement these rules are capped at ten percent per year of the total annual collection. A QRU may include in its compliance plan a waiver request of this rule during the initial ramp-up stage of the QRU's program.

(e) For purposes of calculating the retail rate impact, the investor owned QRU shall use the same methods and assumptions it used in its most recently approved electric resource plan under the Commission's Electric Resource Planning Rules, unless otherwise approved by the Commission. Confidential information may be protected in accordance with rules 1100 through 1102 of the Commission's Rules of Practice and Procedure.

(f) In its compliance plan filed under rule 3657, the investor owned QRU shall estimate the retail rate impact of its plan to comply with the renewable energy standard at the time of the beginning of the compliance period year and for a minimum of the ten years thereafter (the "RES planning period") and shall submit a report detailing the development of the retail rate impact estimate. The compliance plan shall identify the funds that need to be made available to the QRU, including RESA account balances over the RES planning period and any carried-forward deferred account balances from before the RES planning period, to comply with the renewable energy standard under rule 3654, the requirements for renewable distributed generation under rule 3655, and the retail rate impact under this rule 3661.

(g) The retail rate impact shall be determined net of new alternative sources of electricity supply from non-eligible energy resources that are reasonably available at the time of the determination.

(h) The basic method for investor owned QRUs for performing the estimate of the retail rate impact cap is as follows:

(I) The QRU shall determine all commercially available resources to the QRU, either through ownership or by contract, for the RES planning period. The projected costs of these available resources shall be reflected in both of the scenarios analyzed under this paragraph.

(II) The QRU shall determine the QRU's capacity and energy requirements over the RES planning period. The QRU shall develop two scenarios to estimate the resource composition of the QRU's future electric system and the cost and benefits of that system over the RES planning period. The first scenario, a renewable energy standard plan or "RES plan" should reflect the QRU's plans and actions to acquire new eligible energy resources necessary to meet the renewable energy standard. The second scenario, a "No RES plan" should reflect the QRU's resource plan that replaces the new eligible energy resources in the RES plan with new nonrenewable resources reasonably available.

(III) Eligible energy resources whose acquisition commenced prior to July 2, 2006 shall be included in both the RES and No RES plans. Eligible energy resources acquired pursuant to a Commission-approved electric resource plan as new energy technologies or demonstration projects under § 40-2-123(1)(a), C.R.S., shall be included in both the RES and No RES plans.

(IV) The QRU shall compare the costs and benefits of the two plans to project the estimated annual net retail rate impact for the RES planning period. The maximum retail rate impact shall not exceed two percent of the total retail bill annually for each customer. To the extent the RES plan exceeds this maximum retail rate impact over the RES planning period, the investor owned QRU shall modify the RES plan to limit the acquisition of eligible energy resources so as not to exceed the maximum retail rate impact for the RES planning period. In calculating the net retail rate impact, the QRU shall take into account the projected net retail rate impact of the new eligible energy resources and the sum of the on-going annual net incremental costs of all eligible energy resources that the investor owned QRU has contracted to acquire under the SRO programs under rule 3658 and all eligible energy from resources that were constructed by the investor owned QRU or contracted for by the investor owned QRU after July 2, 2006.

(V) The on-going annual net incremental costs used in the retail rate impact calculation under subparagraph 3661(h)(IV) shall be established in each compliance plan filed under rule 3657. These costs shall then be locked down until the Commission issues a final decision regarding the investor owned QRU's next compliance plan filing when such costs shall be unlocked and reset to reflect changes in methods and assumptions used by the investor owned QRU under the Commission's Electric Resource Planning Rules, unless otherwise approved by the Commission. On-going annual net incremental costs locked down before October 31, 2015 shall not be reset until the Commission issues a final decision regarding the investor owned QRU's compliance plan filed on or before October 31, 2015.

(VI) If, in a compliance plan filed under rule 3657, the Commission approves a calculation of the retail rate impact that differs from a calculation in an earlier approved plan, the Commission shall allow the investor owned QRU to fully recover the costs of eligible energy resources and RECs already acquired by the investor owned QRU through one or more adjustment clauses.

(i) If the retail rate impact does not exceed the maximum percent level, a QRU may acquire more than the minimum amount of eligible energy resources and RECs required under the renewable energy standard.

3662. Annual Compliance Report.

(a) Each investor owned and cooperative electric association QRU shall file an annual compliance report no later than June 1 to report on the status of the QRU's compliance with the renewable energy standard for the most recently completed compliance year. Unless expressly noted otherwise, the annual compliance report of each investor owned and cooperative electric association QRU shall provide the following information for the most recently completed compliance year:

(I) The total megawatt-hours sold by the QRU to its retail customers in Colorado and the associated eligible energy required for compliance with the renewable energy standard, including the requirements for retail renewable distributed generation and wholesale renewable distributed generation, as applicable;

(II) The total amount and source of eligible energy and RECs acquired by the QRU during the compliance year for to meet the renewable energy standard, including the requirements for retail renewable distributed generation and wholesale renewable distributed generation, as applicable. The QRU shall separately identify and quantify amounts of eligible energy and RECs by each type of resource, including residential retail renewable distributed generation and nonresidential renewable distributed generation, as applicable. The QRU shall also separately identify eligible energy and RECs generated by early eligible energy resources;

(III) The total amount of RECs by category acquired by the investor owned QRU during the compliance year and the total amount and source of eligible energy generated by the QRU-owned eligible energy resources;

(IV) The total amount of eligible energy and RECs borrowed forward, pursuant to rule 3654, in previous compliance years that were made up during the compliance year to achieve compliance with each component of the renewable energy standard;

(V) The total amount of eligible energy and RECs borrowed forward, pursuant to rule 3654, from future compliance years to achieve compliance with each component of the renewable energy standard in the compliance year;

(VI) The total amount and source of eligible energy and RECs the QRU is carrying back from the year following the compliance year under rule 3654 to achieve compliance with each component of the renewable energy standard in the compliance year;

(VII) The total amount of eligible energy and RECs the QRU has carried forward from prior calendar years under rule 3654 to apply in the compliance year for each component of the renewable energy standard.

(VIII) The total amount of eligible energy and RECs the QRU has acquired in the compliance year that the QRU proposes to carry forward under rule 3654 to future years for each component of the renewable energy standard;

(IX) The total amount of eligible energy and RECs the QRU has counted toward compliance with the renewable energy standard, including the requirements for retail renewable distributed generation and wholesale renewable distributed generation, as applicable, in

the compliance year. The QRU shall separately identify amounts of renewable energy by each type of resource and eligible energy or RECs generated by early eligible energy resources;

(X) The total amount of renewable energy or RECs acquired by the QRU during the compliance year pursuant to the SRO program;

(XI) The total amount of RECs retired by the investor owned QRU during the compliance year pursuant to a voluntary green pricing program;

(XII) The total amount of RECs sold or traded by the investor owned QRU during the compliance year along with the profit and losses of such transactions and the method for calculating these margins;

(XIII) Whether the QRU has invested in any eligible energy resource and whether that resource is under construction or in operation; and

(XIV) The funds expended from the RESA account and other revenue sources and the retail rate impact of the eligible energy and RECs acquired by the investor owned QRU. If the investor owned QRU has not acquired sufficient eligible energy and RECs to meet the renewable energy standard under rule 3654 or the requirements for renewable distributed generation under rule 3655 due to the retail rate impact cap under rule 3661, the retail rate impact cap shall be recalculated based on the actual compliance year values. To the extent the recalculation of the retail rate impact cap demonstrates that additional funds are available based on actual compliance year values, the investor owned QRU shall use those additional funds to acquire RECs, to the extent necessary, to achieve the compliance levels set forth in rules 3654 and 3655 or until the additional funds have been spent if the investor owned QRU intends to claim that the retail rate impact cap prevented it from achieving compliance with the standard.

(XV) A description of the method used to develop the retail rate impact calculation.

(XVI) The proposed calculation of on-going annual net incremental costs for eligible energy resources that will come on line prior to the end of the following compliance year that have not been locked down pursuant to an investor owned QRU's compliance plan filing.

(XVII) The funds advanced by the investor owned QRU during the compliance year, if any, to augment the amounts collected from retail customers through the RESA.

(XVIII) The average hourly incremental cost of electricity during the compliance year, the total number of CSG kilowatt-hours which were unsubscribed for each CSG during that period, and the total kilowatt-hours and corresponding billing credits paid to CSG subscribers during the compliance year by each retail rate class for each CSG.

(b) In the annual compliance report filed by the investor owned or cooperative electric association QRU, the QRU must explain whether it achieved compliance with the renewable energy standard, including the requirements for retail renewable distributed generation and wholesale renewable distributed generation, as applicable, during the most recently completed compliance year, or explain why the QRU had difficulty meeting the renewable energy standard or the requirements

for retail renewable distributed generation and wholesale renewable distributed generation, as applicable.

(c) If, in its annual compliance report, the investor owned QRU did not comply with its renewable energy standard as a direct result of absolute limitations within a requirements contract from a wholesale electric supplier, then the QRU must explain whether it acquired a sufficient amount of either eligible RECs or documented and verified energy savings through energy efficiency and/or conservation programs, or both to rectify the noncompliance so as to excuse the investor owned QRU from any administrative fine or other administrative action.

(d) On the same date that the investor owned or cooperative electric association QRU files its annual compliance report, the QRU shall post an electronic copy of its annual compliance report excluding confidential material on its website to facilitate public access and review.

(e) On the same date that the investor owned or cooperative electric association QRU files its annual compliance report, it shall provide the Commission with an electronic copy of its annual compliance report excluding confidential material. The Commission may place the non-confidential portion of each QRU's annual compliance report on the Commission's website in order to facilitate public review.

(f) Each qualifying wholesale utility shall submit an annual report to the Commission no later than June 1, 2014, and June 1 of each year thereafter. In addition, the qualifying wholesale utility shall post an electronic copy of each annual report on its website. In each annual report, the qualifying wholesale utility shall:

(I) Describe the steps it took during the most recently completed compliance year to comply with the renewable energy standard of 20 percent of retail sales by 2020 as established in § 40-2-124(8), C.R.S.

(II) For the compliance years before 2020, describe whether it is making sufficient progress toward meeting the standard in 2020 or is likely to meet the 2020 standard early. If it is not making sufficient progress toward meeting the standard of 20 percent in 2020, it shall explain why and shall indicate the steps it intends to take to increase the pace of progress.

(III) For the 2020 compliance year and each compliance year thereafter, describe whether it has achieved compliance with the renewable energy standard established in § 40-2-124(8), C.R.S., and whether it anticipates continuing to do so. If it has not achieved such compliance or does not anticipate continuing to do so, it shall explain why and shall indicate the steps it intends to take to meet the standard and by what date.

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[indicates omission of unaffected rules]

3666. Rural Renewable Projects.

(a) QRUs may take advantage of REC multiplier for rural renewable projects described in paragraph 3654(h) subject to the following restrictions:

(I) Interconnection must be completed and commercial operation achieved by December 31, 2014.

(II) For investor owned QRUs, rural renewable projects for which this REC multiplier is claimed may not be counted toward the distributed generation requirements in rule 3655.

(III) Any entity that owns or develops a rural renewable project that will take advantage of the aforementioned compliance multiplier, must notify the Commission on a Commission-provided form within 30 days after signing a power purchase agreement with a QRU and also within 30 days after beginning commercial operations. Such forms will minimally require the megawatts of nameplate electric capacity from installed rural renewable projects or the capacity that is subject to power purchase agreements, as applicable.

(IV) For QRUs that are not investor owned QRUs, the compliance multiplier may be applied only to the aggregate first 100 MW of nameplate capacity projects statewide that report having achieved commercial operation to the Commission.

(A) The Commission will maintain a publicly available listing of projects that have submitted notifications in accordance with subparagraph 3666(a)(III) and shall provide notice to the first 100 MW of projects that are providing energy and RECs to non-investor owned QRUs that they may take advantage of the compliance multiplier.

3667. Small Generation Interconnection Procedures.

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[indicates omission of unaffected rules]

3668. Environmental Impacts.

(a) Eligible energy resources must meet all applicable federal, state, and local environmental permitting requirements.

(b) For eligible energy resources larger than two MW that are not net-metered or any wind turbine structures extending over 50 feet in height, the QRU shall require project developers to include in the bid package written documentation that consultation occurred with appropriate governmental agencies (for example, the Colorado Division of Wildlife or the U.S. Fish and Wildlife Service) responsible for reviewing potential project development impacts to state and federally listed wildlife species, as well as species, habitats, and ecosystems of concern.

(c) For eligible energy resources larger than two MW that are not net-metered or any wind turbine structures extending over 50 feet in height, the QRU renewable energy supply contract shall require project developers to certify the following as a condition precedent to achieving commercial operation:

(I) The developer has performed site specific wildlife surveys (referred to herein as the Environmental Surveys) which are conducted on the facility's site prior to construction;

(II) The developer, with good faith effort, used the results of the Environmental Surveys and available monitoring in developing the design, construction plans, and management plans of the facilities to avoid, minimize, and/or mitigate any adverse environmental impacts to state and federally listed species, to species of special concern, to sites shown to be local bird migration pathways, to critical habitat, to important ecosystems, and to areas where birds or other wildlife are highly concentrated and are considered at risk;

(III) The results of the pre-construction Environmental Surveys shall be shared with the Colorado Division of Wildlife (CDOW) prior to project construction; and

(IV) A summary report of these results shall be made available to CDOW at the time the project achieves commercial operation.

(d) The Commission shall determine whether the electricity generated by coal mine methane or a synthetic gas is greenhouse gas (GHG) neutral on a case-by-cases basis consistent with the following:

(I) Greenhouse gases assessed shall include carbon dioxide, methane, nitrous oxide, ozone, chlorofluorocarbons, hydrochlorofluorocarbons, hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride.

(III) The volume of greenhouse gases emitted into the atmosphere from the conversion of coal mine methane or synthetic gas to electricity shall be:

(A) Measured in term of carbon dioxide equivalent (CO2e);

(B) Calculated over a five year period beginning with the planned date of operation of the facility; and

(C) Compared to the volume of GHG, measured in CO2e, that would occur if directly released into the atmosphere.

3669. – 3699. [Reserved]

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[indicates omission of unaffected rules]

3976. Regulated Electric Utility Rule Violations, Civil Enforcement, and Civil Penalties.

An admission to or Commission adjudication for liability for an intentional violation of the following may result in the assessment of a civil penalty of up to $2,000.00 per offense. Fines shall accumulate up to, but shall not exceed, the applicable statutory limits set in § 40-7-113.5, C.R.S.

Citation	**Description**	**Maximum Penalty Per Violation**
	Articles 1-7 of Title 40, C.R.S.	$2000

	Commission Order	$2000
Rule 3005(a)-(c);(f)	Records and Record Retention	$2000
Rule 3026(a)	Collection and Use of Customer Data	$1000
Rule 3026(b);(e)	Disclosure of Customer Data	$2000
Rule 3026(c)	Tariff	$1000
Rule 3026(d)	Disclosure of Customer Data	$1000
Rule 3027(a)	Customer Notice	$1000
Rule 3028(a);(b)	Consent Form	$1000
Rule 3029(a)	Disclosure of Customer Data	$2000
Rule 3029(b)	Records	$1000
Rule 3030(a)	Disclosure of Customer Data	$2000
Rule 3029(b)-(d)	Consent and Records	$1000
Rule 3031(a)	Disclosure of Aggregated Data	$2000
Rule 3031(c)	Tariff	$1000
Rule 3100(a)	Obtaining a Certificate of Public Convenience and Necessity for a Franchise	$2000
Rule 3101(a)	Obtaining a Certificate of Public Convenience and Necessity or Letter of Registration to Operate in a Service Territory	$2000
Rule 3102(a)	Obtaining a Certificate of Public Convenience and Necessity for Facilities	$2000
Rule 3103(a),(c),(d)	Amending a Certificate of Public Necessity for Changes in Service Territory or Facilities	$2000
Rule 3108(a),(c)	Keeping a Current Tariff on File with the Commission	$2000
Rule 3109	Filing a New or Changed Tariff with the Commission	$2000

Rule 3110(b),(c)	Filing an Advice Letter to Implement a Tariff Change	$2000
Rule 3200(a),(b)	Construction, Installation, Maintenance and Operation of Facilities in Compliance with Accepted Engineering and Industry Standards	$2000
Rule 3204	Reporting Incidents Resulting in Death, Serious Injury, or Significant Property Damage	$2000
Rule 3210	Line Extensions	$2000
Rule 3251	Reporting Major Events	$2000
Rule 3252	Filing a Report on a Major Event with the Commission	$2000
Rule 3303(a)-(j)	Meter Testing	$2000
Rule 3306	Record Retention of Tests and Meters	$2000
Rule 3309	Provision of Written Documentation of Readings and Identification of When Meters Will be Read	$2000
Rule 3401	Billing Information, Procedures, and Requirements	$2000
Rule 3603	Resource Plan Filing Requirements	$2000
Rule 3654(a)	Renewable Energy Standards	$2000
Rule 3655(a)	Renewable Energy Standards	$2000
Rule 3657(a)	QRU Compliance Plans	$2000
Rule 3662	Annual Compliance Reports	$2000
Rule 3803(c)	Master Meter Exemption Requirements	$2000

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[indicates omission of unaffected rules]