

# Innovative Policy Approaches to Greenhouse Gas Reduction

Colorado Department of Public Health and Environment  
Trisha Oeth, Acting Environmental Programs Policy Advisor

The Environmental Council of the States  
March 17, 2021



**COLORADO**  
Department of Public  
Health & Environment



# *Major Components of Colorado's Climate Legislation*

---

Establish greenhouse gas inventory with 2005 baseline

Reduce GHG emissions 26% by 2025, 50% by 2030, and 90% by 2050

Develop rules and policies to reduce GHG emissions

Creates regulatory path for electric utilities to meet 80% GHG reduction by 2030

Requires annual tracking and reporting through CDPHE

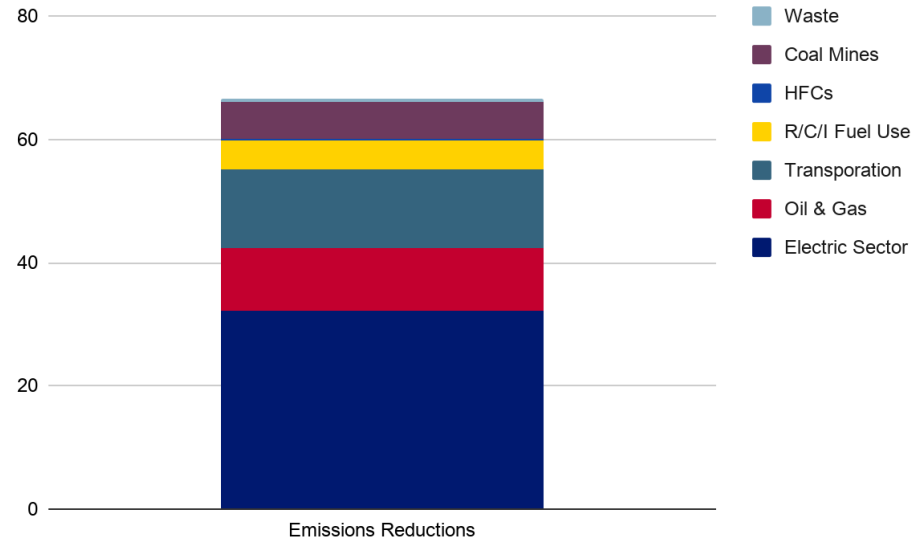


# Key Findings through 2030

---

## ACHIEVING THE GOALS WILL RELY ON:

- Continuing the swift transition away from coal and towards renewables
- Achieving deep reductions in methane emissions from the oil and gas industry
- Accelerating the transition to electric cars, trucks and buses
- Changing transportation planning and infrastructure to reduce driving
- Increasing building efficiency and electrification
- Reducing methane emissions from landfills, waste water, and agriculture



# Clean Energy Progress in Colorado

## Xcel Energy

- Filing a Clean Energy Plan
- Reduce GHG 80% by 2030
- Retire Hayden 1 by 2027 and Hayden 2 by 2028 without layoffs

## Holy Cross Energy

- 100% carbon free electricity by 2030
- Filing a Clean Energy Plan
- 100 MW new wind
- 35 MW new solar
- 25 MW solar + storage
- 5 MW additional hydro

## Black Hills Electric

- Filing a Clean Energy Plan
- Reduce GHG 80% by 2030
- 70% emission reduction by 2023 with 200 MW solar project.

## Colorado Springs Utilities

- Filing a Clean Energy Plan
- Reduce GHG 80% by 2030
- 32% renewable energy by 2030
- Close all coal plants by 2030

## Platte River Power Authority

- Filing a Clean Energy Plan
- Reduce GHG 90% by 2030 levels
- Close Rawhide coal plant by 2030
- Add 400 MW of renewables

## Tri-State G&T

- Reduce in-state GHG 90% by 2030. Reduce total GHG 80% by 2030
- Close Colorado plants by 2030
- Preferred plan adds 900 MW of wind, 900 MW of solar, 200 MW of battery storage

The 6 utilities that operate 99% of the fossil power plants in Colorado have committed to reduce emissions by at least 80% by 2030.

In PUC engagement, CEO views 80% emissions reductions in a CEP as a floor and not a ceiling for reductions.



# Near Term Actions: Oil & Gas

*Reduces pollution by ~12 million tons by 2030*

- Broad O&G rulemaking on the AQCC long-term calendar for December 2021; stakeholder process has begun
- Emission limits based on reducing leak rates and other regulatory measures to achieve a 33% reduction in emissions for the sector by 2025 and over 50% (12 million tons from Proposed 2005 Baseline) by 2030
- Emissions data/metric tracking to assure the sector remains on track
- COGCC implementation of new rules that eliminate routine flaring, requiring minimizing emissions, and track pre-production and production air emissions



# Near Term Actions: Transportation

*Reduce pollution ~13 million tons by 2030*

- Low and Zero emissions rules - 6 million ton reduction
- Public investment in fleet turnover and infrastructure for zero emission vehicles
- GHG Pollution Standards for transportation plans and large employer trip reduction programs Summer 2021 AQCC rulemaking
- Incentivize land use to increase housing near jobs and reduce VMT and pollution - study in 2021 to prepare for 2022 actions
- Clean trucking strategy - infrastructure, fleet incentives, consider regulatory tools such as advanced clean trucks
- Participate in developing post 2025 vehicle standards
- 2022 AQCC evaluation of indirect source rules



# *Near Term Actions: Res, Comm, Ind Fuel Use*

*Reduces pollution by ~5 million tons by 2030*

- Set carbon reduction targets and biogas requirements for gas utilities
- Modernize and expand gas utility energy efficiency programs
- Improve building efficiency through benchmarking, codes and standards
- Require regulated electric utilities to create programs that will support beneficial electrification.
- Expand access to financing programs for building retrofits
- AQCC action on industrial emission audits requirements and Best Available Control Technology requirements.



# *Near Term Actions: Natural and Working Lands*

*Reduce pollution ~1 million ton by 2030 \**

- Develop a comprehensive emissions inventory and NWL strategic plan in concert w/ stakeholders
- Increase producer utilization of Agricultural Energy Efficiency program
- Expand Advancing Colorado's Renewable Energy and Energy Efficiency (ACRE3) program
- Improve soil function and carbon sequestration through regenerative farming practices
- Support voluntary participation in such efforts as Field to Market, Soil Health Partnership and Precision Agriculture programs





# *Roadmap Implementation Legislative Priorities*

---

- Building benchmarking and performance standards
- Utility beneficial electrification plans and incentives
- Expanded gas demand side management programs
- Biomethane standards for gas utilities
- Transportation electrification funding
- Clean energy finance



## *2021 study processes setting stage for later action*

---

- Carbon Capture, Utilization and Storage (CCUS) taskforce
- EV equity study
- Medium and heavy duty vehicle ZEV technical analysis
- Hydrogen roadmap study
- Study on incentivizing smart local land use
- Multi-state study of Western electricity market participation

