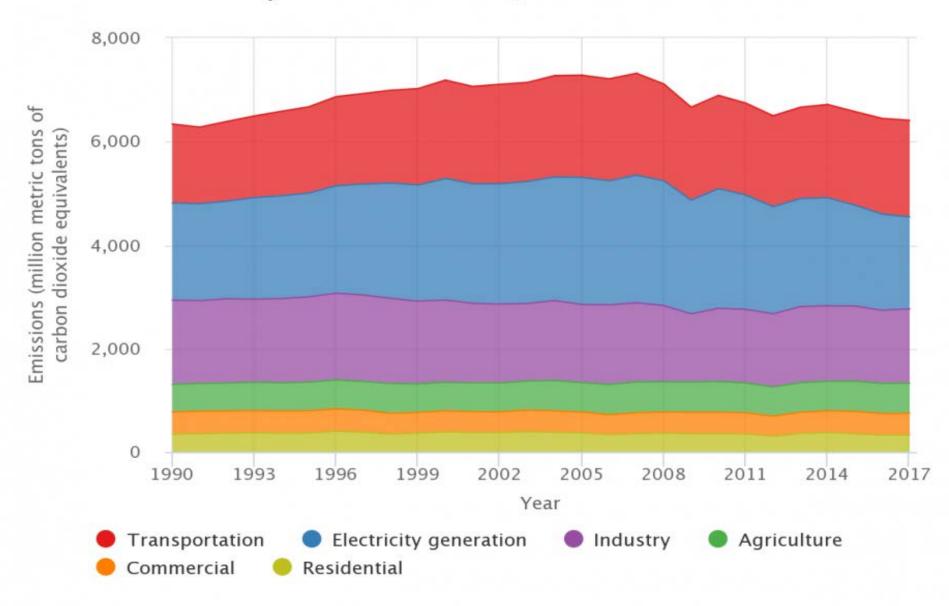
# Climate Change Legislation in Colorado

2019 Legislative Session

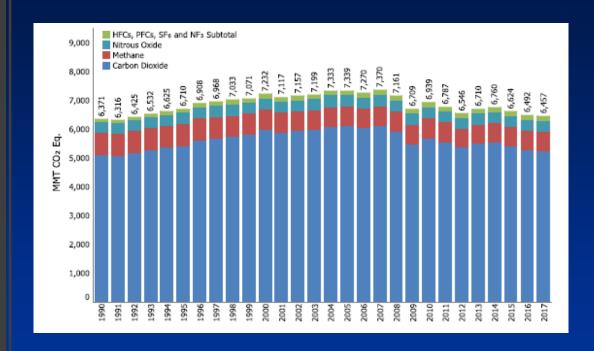
Presented by: Chris Colclasure Beatty & Wozniak, P.C. 216 16<sup>th</sup> St., Suite 1100 Denver, CO 80202 (303) 407-4499

U.S. Greenhouse Gas Emissions by Economic Sector, 1990-2017



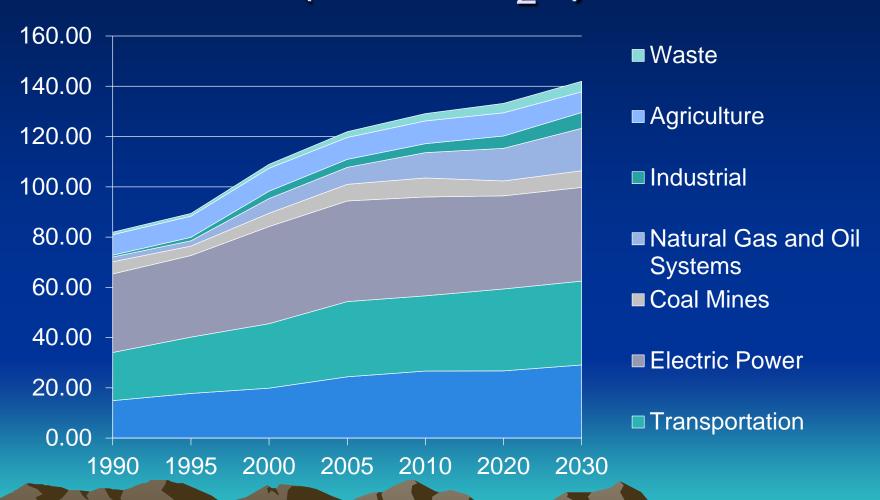
Source: U.S. EPA's Inventory of U.S. Greenhouse Gas Emissions and Sinks: 1990-2017. https://www.epa.gov/ghgemissions/inventory-us-greenhouse-gas-emissions-and-sinks

#### Total U.S. GHG Emissions 1990-2017



EPA Inventory of U.S. Greenhouse Gas Emissions and Sinks (April 2019)

# Colorado's 2010 GHG Inventory (mmtCO<sub>2</sub>e)



#### **Major Climate Bills**

- HB 19-1261, Climate Action Plan to Reduce Pollution
  - Passed House April 16, 2019
- SB 19-181
- HB 19-1313, Electric Utility Plans to Further Reduce CO<sub>2</sub> Emissions
  - Introduced April 5, 2019
- At least 12 additional climate bills



#### H.B. 19-1261, GHG Goals

2005	Base year
2025	Cut 26%
2030	50% statewide, 80% in electric sector
2050	90%

- Air Quality Control Commission adopts rules
- May draw on other states' rules
- Inventories
- Odd year reports



#### H.B. 19-1261

- AQCC rules must ensure timely progress
- Reduce emissions that affect disproportionately communities
- May not dictate public utility's resource mix
- Cap and trade?
- Consult with PUC, consider "clean energy plans"
- \$280k general fund (2.0 FTE) for CDPHE

### Where to Reduce GHGs?



#### Where to Reduce GHGs?



#### Where to Reduce GHGs?

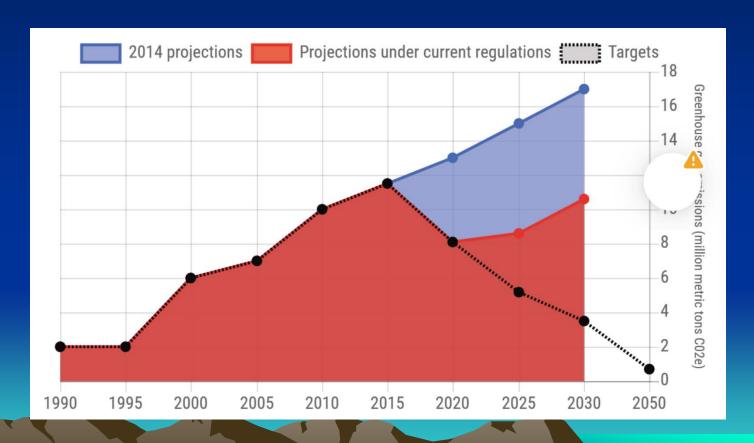


#### **O&G Response to HB 1261**

- Accurate GHG inventory
- Set the record straight
- Minimize recordkeeping and reporting
- Only our fair share
- Participate in rulemaking hearings

# The Public Is Getting Bad Info

"Methane Emissions from Oil and Gas Extraction" \*The Colorado Sun, April 3, 2019



# **O&G** Is Already Cutting GHGs

- Ozone action has GHG co-benefit
  - VOCs ↓ 45% in ozone area 2011-2017
  - Tankless production, OGI
- Storage tank design and O&M
- Piping liquids
- Vapor recovery
- Loadouts





#### **SB 181 Rules Will Cut GHGs**

- The AQCC must:
  - Minimize hydrocarbon and CH<sub>4</sub> emissions
  - Consider semi-annual OGI, continuous CH<sub>4</sub>
     monitors, pneumatic device rules
- AQCC may regulate drilling & completions
- COGCC and CDPHE must consult on potential cumulative impacts of O&G
- Must participate in rulemaking process



# Potential New O&G Regulatory Targets

- Episodic events
  - Pigging, blowdowns
- Statewide Hydrocarbon Emissions Reduction (SHER) proposals
- Routine flaring
- Electrification



#### HB 1313, Electric Sector GHGs

- Qualifying retail utilities (Xcel Energy) CO<sub>2</sub> reduction goals:
  - -80% by 2030
  - 100% by 2050
- PUC must approve utility Clean Energy Plan
  - Electric generating resources
  - Full cost recovery

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