CORV Fact Sheet

Colorado's Climate Action Plan HB19-1261

In 2019 Colorado's legislature passed HB19-1261, the Climate Action Plan to Reduce Pollution. This bill set ambitious greenhouse gas emission reduction targets to combat climate change. In essence, it does the following:

- Codifies statewide emissions reduction goals of
 - o 26% by 2025,
 - \circ $\,$ 50% by 2030, and
 - o 90% by 2050,
 - o relative to a 2005 baseline level.
- These targets are roughly consistent with the Intergovernmental Panel on Climate Change's call to limit worldwide temperature rise to 1.5°C above preindustrial levels.
- The Air Quality Control Commission (AQCC) is required to adopt rules and regulations for statewide greenhouse gas pollution reduction. The rules must provide for ongoing tracking of emission sources and include strategies designed to achieve reductions in harmful air pollution.
- Clean energy components. The AQCC is required to consult with the Public Utilities Commission (PUC) in designing, implementing, and enforcing programs and requirements.

What Do We Mean When We Say Energy Efficiency Benchmarking?

Building energy use is a major source of greenhouse gas emissions through electricity consumption. In Denver, <u>it is estimated</u> that energy used by large buildings equates to 57% of the city's GHG impacts.

In many cases, building owners have yet to explore many win-win energy efficiency opportunities available for them to both reduce energy use and achieve cost savings. When applied to building energy use policies, benchmarking monitoring and reporting serves as a mechanism to educate and encourage competition in energy performance and efficiency investments among building owners. As such, it represents a favored policy alternative to regulatory mandates for building energy efficiency practices that may not be possible or easy to pass, though such programs are sometimes combined with increasing efficiency threshold requirements in certain implementing municipalities.

Benchmarking is the practice of comparing the measured performance of a device, process, facility, or organization to itself, its peers, or established norms, with the goal of informing and motivating performance improvement. Benchmarking programs commonly require large building owners to monitor and report their energy performance, often utilizing free tools like the EPA's Energy Star portfolio manager tool.

In Colorado, efficiency benchmarking has been utilized by municipalities for some years. Denver City Council enacted an ordinance in 2016 requiring all buildings 25,000 square feet and above to participate in a benchmarking program. Boulder County <u>has implemented</u> benchmarking requirements with different rule sets for builders below and above 50,000 sq. feet. Xcel Energy operates <u>its own benchmarking program</u> across its service territory. The City of Ft. Collins <u>runs</u> Colorado's other major existing program.

Protect Public Welfare Oil & Gas Operations SB19-181

Under previous law, the Oil and Gas Conservation Act declared that it was in the public interest to **foster** the production of natural resources of oil and gas in a manner that is consistent with public health, safety, and welfare. This bill modified the legislative declaration to direct the COGCC to **regulate** the development of oil and gas in a manner that protects public health, safety, and welfare, including protection of wildlife resources. Additionally the bill:

- Reduced the size of the COGCC from nine to seven members
- Adjusted the required areas of commissioner expertise;
- Changed appointing authorities; and
- Required that the five appointed commissioners be employed as full time salaried employees of the commission

Currently the COGCC is interpreting the statute through a series of rulemakings, and those rules will determine what steps the oil and gas industry must take to protect Coloradans health and our environment.

School Incentives to Use Colorado Food & Producers HB19-1132

This bill created two grant programs to encourage public schools and residential child care centers to purchase Colorado products for use in federally subsidized meals.

- Eligible grant recipients must be participants in the National School Lunch Program.
- Every October the CDE reimburses participants for the amount spent on Colorado grown, raised, and processed products used in the meal program.
- The maximum reimbursement is equal to the number of school lunches provided, divided by the total number of lunches provided by all participants, multiplied by the total appropriation for primary incentive grants and cannot exceed \$500,000 annually.

So what's the problem? This program, while great in intent, did not address the barriers that prohibit smaller, family owned producers, to benefit from this program. Whether it's a quantity requirement that make participation unachievable, or health and safety certifications that are difficult to attain, this bill still favors big ag over local Colorado grown farms.