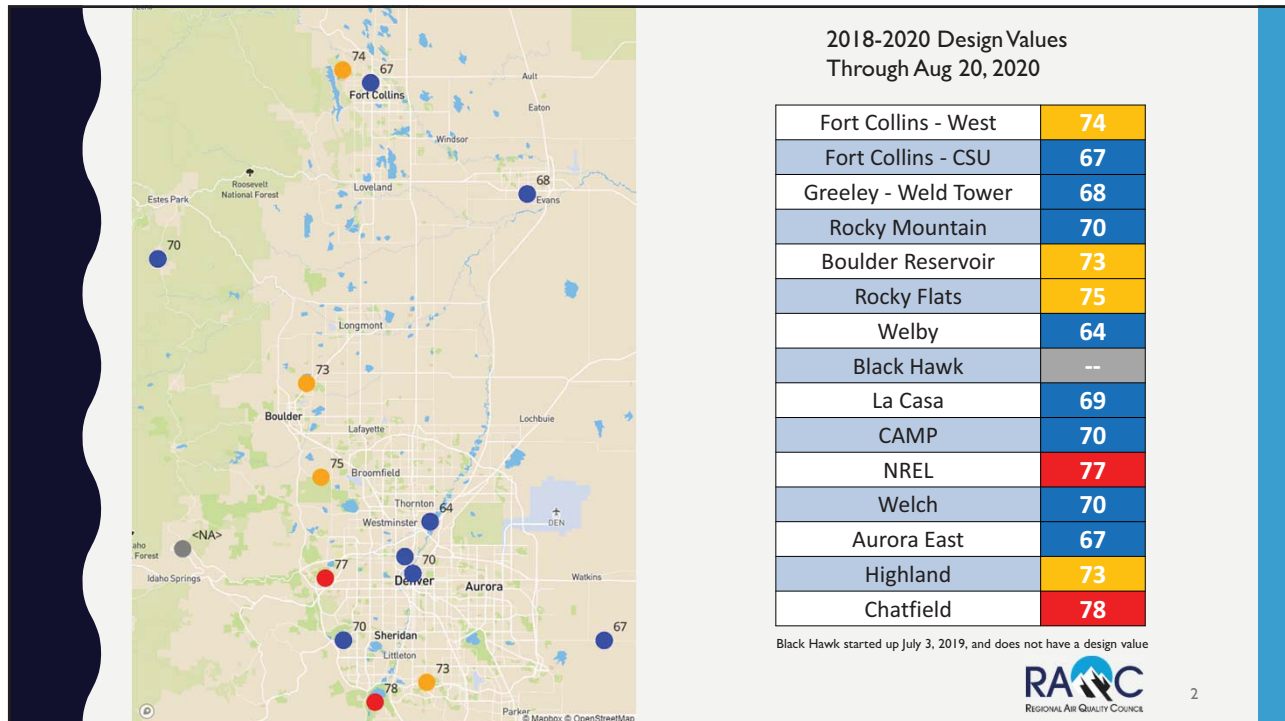
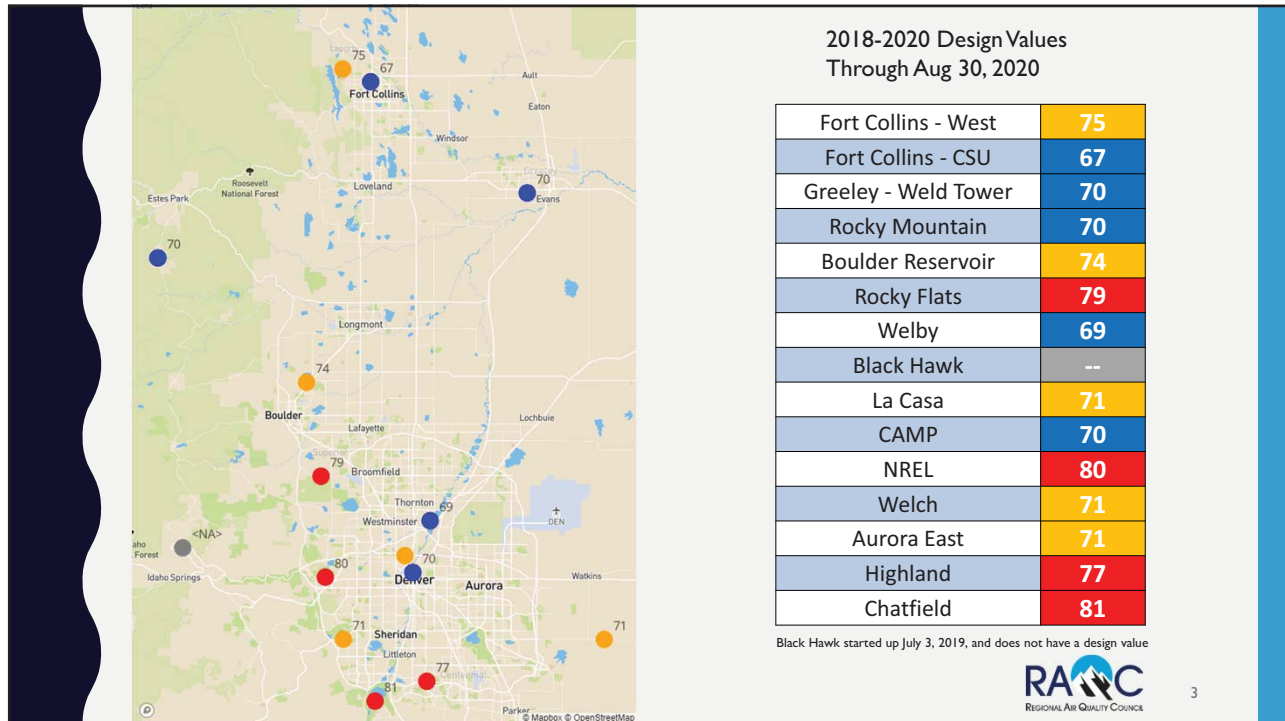


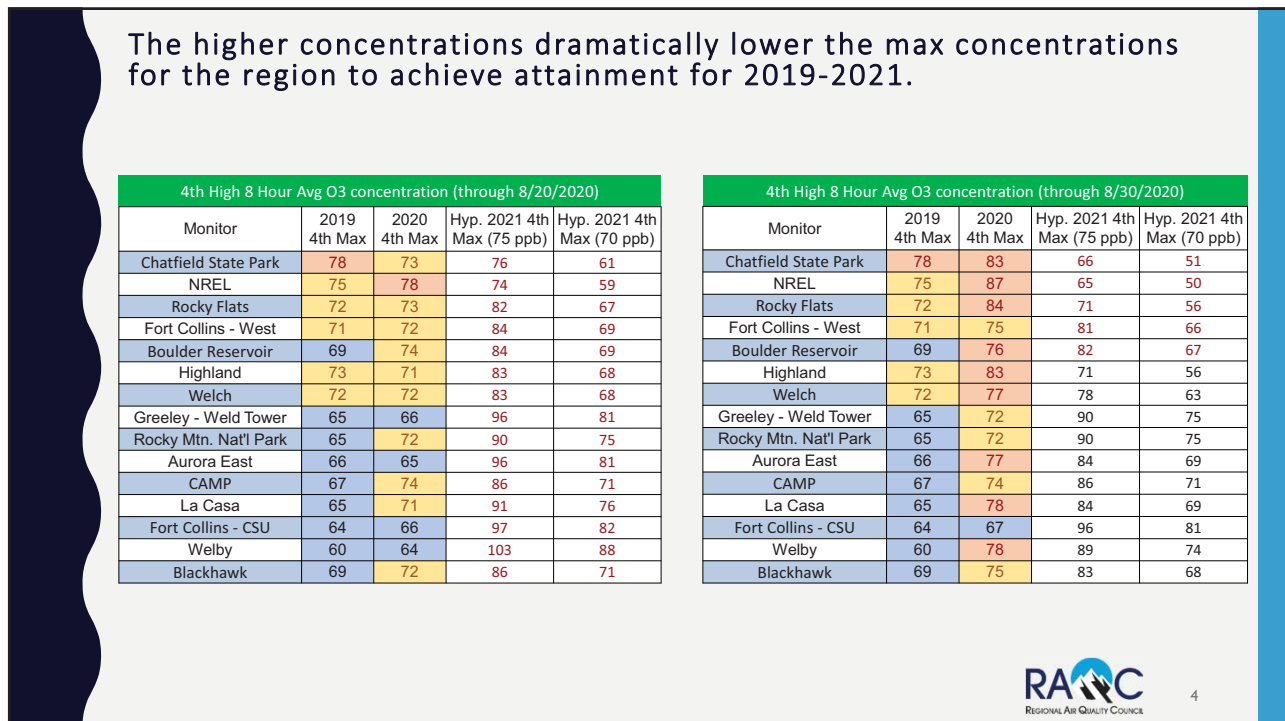
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GHG Roadmap Update

Colorado Energy Office
May 2021



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About the Colorado Energy Office (CEO)



Mission

Reduce greenhouse gas emissions and consumer energy costs by advancing clean energy, energy efficiency and zero emission vehicles to benefit all Coloradans.



Vision

A prosperous, clean energy future for Colorado.



2

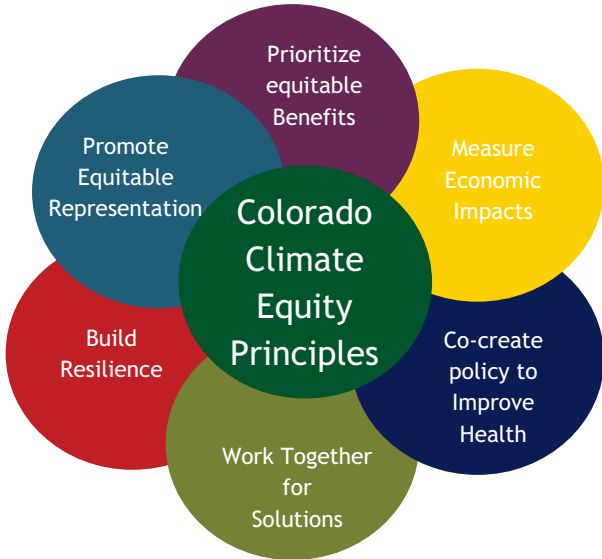
Major Pieces of Colorado’s Climate Legislation

- 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



3

Colorado’s Climate Equity Principles



4

Largest sources over time

2005 Largest Emission Source:

1. Electric power
2. Transportation
3. Oil & Gas
4. Buildings

2020 Largest Emissions Sources

1. Transportation
2. Electric power
3. Oil & Gas
4. Buildings

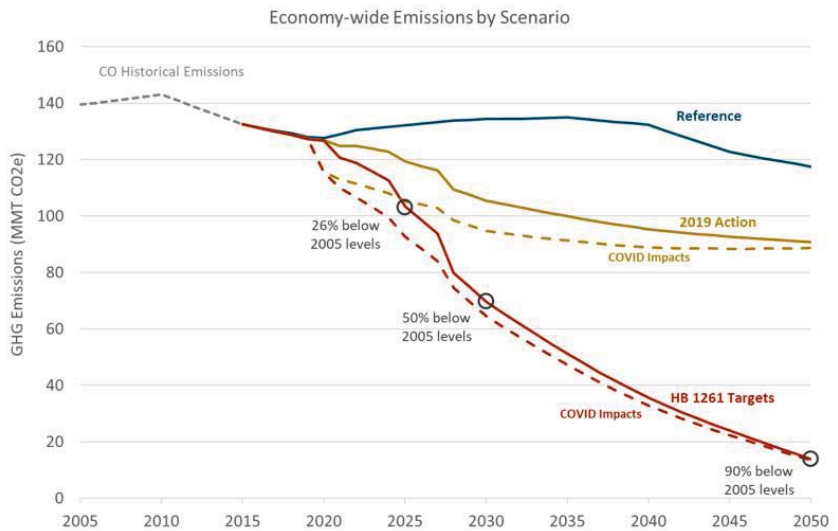


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Colorado GHG Pollution Over Time

SIGNIFICANT PROGRESS UNDERWAY & MORE ACTION NECESSARY

- As a result of the state’s actions to date, we are *well on the way to meeting* the level of emission reductions to meet the 2025 and 2030 goals.
- *Additional strategies can advance co-benefits* such as reducing local air pollution, generating economic growth, advancing environmental justice and equity.



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Near Term Actions: Oil & Gas

Reduces methane pollution by ~12 million tons CO₂e 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 routing flaring, requiring minimizing emissions, and track pre-production and production air emissions



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Near Term Actions: Res, Comm, Ind Fuel Use

Reduces pollution by ~5 million tons below 2005 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.
- Oil and gas combustion emissions are about half of industrial; could be addressed in oil/gas or industrial rulemaking



8

Near Term Actions: Res, Comm, Ind Fuel Use

Reduces pollution by ~5 million tons below 2005 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.
- Oil and gas combustion emissions are about 2/3 of industrial; could be addressed in oil/gas or industrial rulemaking



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Near Term Actions: Transportation

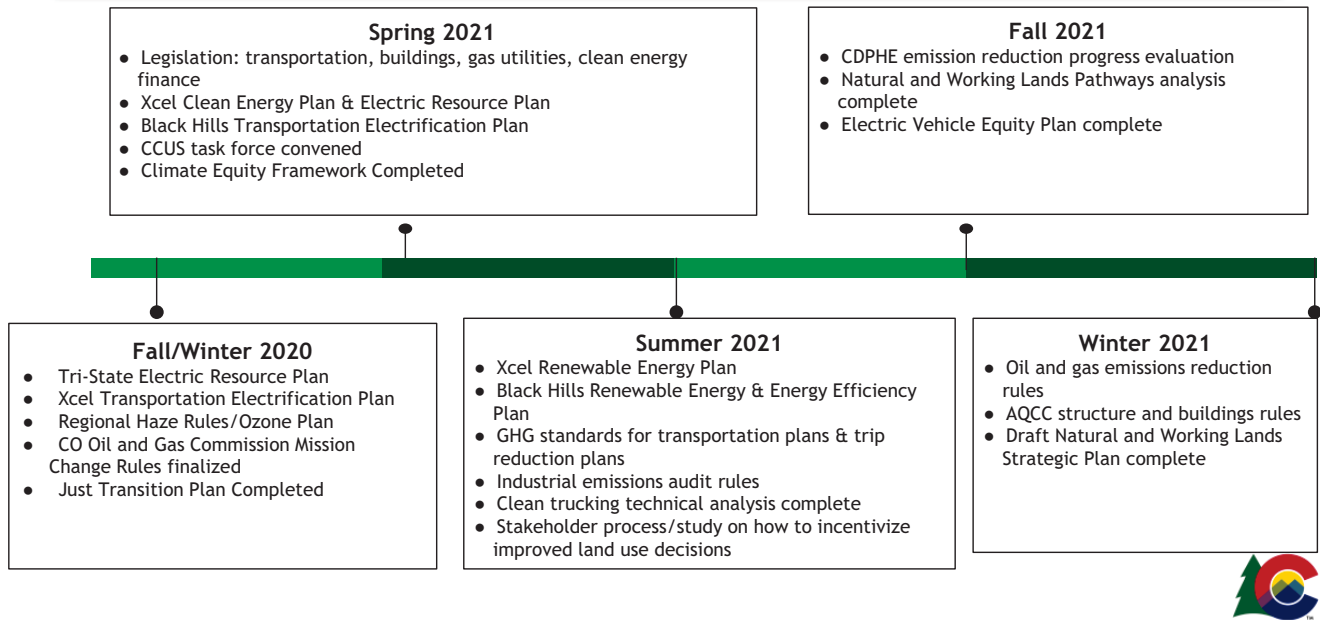
Reduce pollution ~13 million tons by 2030

- 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, fleet requirements
- Participate in developing post 2025 vehicle standards
- 2022 AQCC evaluation of indirect source rules



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Near Term Action Highlights



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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/carbon targets
- Transportation electrification funding
- Clean energy finance



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