Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 24-0619.02 Sarah Lozano x3858

SENATE BILL 24-150

SENATE SPONSORSHIP

Cutter,

HOUSE SPONSORSHIP

Froelich,

Senate Committees

Transportation & Energy

House Committees

A BILL FOR AN ACT

101 CONCERNING REQUIREMENTS FOR THE PROCESSING OF MUNICIPAL SOLID WASTE IN THE STATE.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

On and after July 1, 2024, **section 2** of the bill prohibits a person from operating or expanding certain units that incinerate municipal solid waste (incineration unit).

On and after January 1, 2025, **section 2** also clarifies that incineration and incineration units do not meet certain standards established by state law or rules.

Section 3 changes current law to provide that synthetic gas produced by the pyrolysis of waste materials is not an eligible energy resource for the purpose of certain state-level renewable energy standards.

Section 4 changes current law to specify that methane derived from the pyrolysis of municipal solid waste is not recovered methane that is a clean heat resource for the purpose of clean heat plans.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1. Legislative declaration.** (1) The general assembly 3 finds and declares that the combustion of municipal solid waste: 4 (a) Generates hazardous waste and toxic pollutants, which affect 5 the health of disproportionately impacted communities and low-income 6 communities; 7 (b) Destroys valuable materials that could be recycled back into 8 the supply chain; 9 (c) Perpetuates the extractive, polluting, linear economy by 10 investing in infrastructure that needs to be continuously supplied with 11 cardboard, paper, and plastics that could otherwise be reduced or 12 recycled; and 13 (d) Is an expensive approach to waste management that relies on government investment of tax dollars or tax credits to build and maintain. 14 15 (2) The general assembly therefore determines that it is in the best 16 interest of the state to prohibit the construction, establishment, operation, 17 or expansion of units that combust municipal solid waste. 18 **SECTION 2.** In Colorado Revised Statutes, add 25-17-109 as 19 follows: 20 25-17-109. Prohibition on facilities that combust municipal 21 solid waste - definitions - rules. (1) As used in this section, unless 22 THE CONTEXT OTHERWISE REQUIRES:

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I	(a) "BIOCHAR" MEANS A CHARCOAL THAT IS PRODUCED BY
2	PYROLYSIS OF BIOMASS AND THAT MAY BE USED AS A SOIL AMENDMENT.
3	(b) "Biosolids" has the meaning set forth in section
4	<u>25-8-103 (1.4).</u>
5	(c) "COMBUSTION UNIT" MEANS A MUNICIPAL WASTE COMBUSTION
6	UNIT, AS DEFINED IN 40 CFR 60.2977, OR OTHER SOLID WASTE
7	INCINERATION (OSWI) UNIT, AS DEFINED IN 40 CFR 60.2977, THAT
8	COMBUSTS MUNICIPAL SOLID WASTE.
9	(d) "Commission" means the solid and hazardous waste
10	COMMISSION CREATED IN SECTION 25-15-302 (1)(a).
11	(e) "Crematory incinerator" means any incinerator
12	DESIGNED AND USED SOLELY FOR THE BURNING OF ANATOMICAL
13	PATHOLOGICAL WASTE, WHICH INCINERATOR MAY ALSO BURN INCIDENTAL
14	ITEMS NORMALLY CREMATED AS PART OF THE FUNERAL PROCESS, OR AS
15	OTHERWISE DEFINED BY AIR QUALITY CONTROL COMMISSION RULE.
16	$\underline{(f)}$ "Hazardous waste" has the meaning set forth in section
17	25-15-101 (6).
18	_
19	(g) "Municipal solid waste" means solid waste from
20	HOUSEHOLD, COMMUNITY, COMMERCIAL, OR INDUSTRIAL SOURCES THAT
21	DOES NOT CONTAIN HAZARDOUS WASTE.
22	_
23	(h) "Waste tire" has the meaning set forth in section
24	30-20-1402 (12).
25	(2) (a) EXCEPT AS SET FORTH IN SUBSECTION (2)(b) OF THIS
26	SECTION, ON AND AFTER JULY 1, 2024, A PERSON SHALL NOT BUILD,
27	CONSTRUCT, ESTABLISH, OPERATE, OR EXPAND A COMBUSTION UNIT IN THE

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1	STATE.
2	(b) The prohibition in subsection (2)(a) of this section does
3	NOT APPLY TO:
4	(I) OPERATIONS TO <u>EXCLUSIVELY</u> TREAT SOURCE-SEPARATED
5	ORGANIC MATERIALS FOR THE PRODUCTION OF SOIL AMENDMENTS,
6	INCLUDING COMPOST, BIOSOLIDS, AND BIOCHAR;
7	(II) OPERATIONS TO CONDUCT ANAEROBIC DIGESTION;
8	(III) AIR CURTAIN INCINERATORS USED FOR WILDFIRE MITIGATION
9	OR INCINERATION OF THE MATERIALS LISTED IN 40 CFR 60.2888 (b)(1) TO
10	<u>(b)(4);</u>
11	(IV) Units that combust contraband or prohibited goods,
12	<u>AS DEFINED IN 40 CFR 60.2887 (p);</u>
13	(V) Units operating as a crematory incinerator;
14	(VI) BIOMASS BOILERS FIRING MATERIALS LISTED IN 40 CFR
15	60.2888 (b)(1) TO (b)(4) OR OTHER APPROVED FUELS; OR
16	(VII) PYROLYSIS UNITS USED TO CONVERT MUNICIPAL SOLID
17	WASTE OR SOLID WASTE DERIVED MATERIALS INTO USEFUL PRODUCTS
18	SUCH AS ENERGY, FUELS, AND CHEMICAL COMMODITIES.
19	(3) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
20	CONTRARY, ON AND AFTER JANUARY 1, 2025:
21	(a) <u>Combustion</u> is not considered "recycling", "renewable
22	ENERGY", "CLEAN ENERGY", "GREEN ENERGY", "CLIMATE-FRIENDLY",
23	"CARBON-FREE", "BIOFUEL", "ZERO-CARBON", OR ANY OTHER SIMILAR
24	TERM FOR THE PURPOSE OF A PROGRAM ESTABLISHED BY STATE LAW OR
25	RULES; AND
26	(b) <u>A COMBUSTION</u> UNIT DOES NOT MEET A "RENEWABLE
27	PORTFOLIO STANDARD", "LOW CARBON FUEL STANDARD", "RENEWABLE

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1	FUEL STANDARD", OR ANY OTHER SIMILAR STANDARD ESTABLISHED BY
2	STATE LAW OR RULES.
3	(4) NOTHING IN THIS SECTION PROHIBITS THE BURNING OF WASTE
4	TIRES OR TIRE-DERIVED PRODUCTS AS FUEL IN CEMENT KILNS.
5	(5) The commission may adopt rules to enforce this
6	SECTION.
7	SECTION 3. In Colorado Revised Statutes, 40-2-124, amend
8	(1)(a) introductory <u>portion</u> as follows:
9	40-2-124. Renewable energy standards - qualifying retail and
10	wholesale utilities - definitions - net metering - legislative declaration
11	- rules. (1) Each provider of retail electric service in the state of
12	Colorado, other than municipally owned utilities that serve forty thousand
13	customers or fewer, is a qualifying retail utility. Each qualifying retail
14	utility, with the exception of cooperative electric associations that have
15	voted to exempt themselves from commission jurisdiction pursuant to
16	section 40-9.5-104 and municipally owned utilities, is subject to the rules
17	established under this article 2 by the commission. No additional
18	regulatory authority is provided to the commission other than that
19	specifically contained in this section. In accordance with article 4 of title
20	24, the commission shall revise or clarify existing rules to establish the
21	following:
22	(a) Definitions of eligible energy resources that can be used to
23	meet the standards. "Eligible energy resources" means recycled energy,
24	renewable energy resources, and renewable energy storage. In addition,
25	resources using coal mine methane and synthetic gas produced by
26	pyrolysis of waste materials are eligible energy resources if the
27	commission determines that the electricity generated by those resources

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1	is greenhouse gas neutral. SYNTHETIC GAS PRODUCED BY PYROLYSIS OF
2	WASTE MATERIALS IS NOT AN ELIGIBLE ENERGY RESOURCE. The
3	commission shall determine, following an evidentiary hearing, the extent
4	to which such electric generation technologies utilized in an optional
5	pricing program may be used to comply with this standard. A fuel cell
6	using hydrogen derived from an eligible energy resource is also an
7	eligible electric generation technology. Fossil and nuclear fuels and their
8	derivatives are not eligible energy resources. As used in this section:
9	
10	SECTION 4. In Colorado Revised Statutes, 40-3.2-108,
11	repeal (2)(n)(II)(B) as follows:
12	40-3.2-108. Clean heat targets - legislative declaration -
13	definitions - plans - rules - reports. (2) Definitions. As used in this
14	section, unless the context otherwise requires:
15	
16	(n) "Recovered methane" means any of the following that are
17	located in Colorado and meet a recovered methane protocol approved by
18	the air quality control commission:
19	(II) Methane derived from:
20	(B) The pyrolysis of municipal solid waste;
21	
22	SECTION 5. Safety clause. The general assembly finds,
23	determines, and declares that this act is necessary for the immediate
24	preservation of the public peace, health, or safety or for appropriations for
25	the support and maintenance of the departments of the state and state
26	institutions.

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