

During the 2023 legislative session the General Assembly considered several measures related to energy and natural resources including clean energy; wildfire; and going green at home.

Expanding Clean Energy Tactics

Climate change has a significant impact on Colorado's ecosystems, natural resources, public health, air quality and the economy. This leads to more frequent and severe wildfires, droughts and flooding, respiratory illnesses, and decreased quality of life. To address climate change, Colorado has established goals of reduce greenhouse gas emissions by 26% by 2025 and 50% by 2030 which the state is not currently projected to meet. Senate Bill 23-198 expands the applicability of Clean Energy Plans required to be submitted to the Colorado Department of Public Health and Environment to verify greenhouse gas reductions of certain entities.

Geothermal energy refers to heat that is found within the Earth that can be used directly or indirectly to heat or cool buildings. Colorado's western slope is a prominent source of geothermal energy systems. *House Bill 23-1252* expands the Geothermal Energy Grant Program created in *House Bill 22-1381*. The program awards grants for heating and cooling systems in certain new construction projects, multi-

building thermal projects, or geothermal electricity generation projects. The bill expands the program to include systems that can be retrofitted to existing buildings. Thermal energy networks that supply multiple buildings must submit a Clean Heat Plan that meets permitting requirements for the production of geothermal fluid. Additionally, any gas utility that serves over 500,000 customers must submit at least one pilot program that provides thermal energy to a disproportionately impacted community to the Public Utilities Commission (PUC).

Another form of clean energy gaining traction is hydrogen. *House Bill 23-1281* defines clean hydrogen as hydrogen that is derived from a clean energy source that uses hydrogen and emits less than 1.5 kilograms of carbon dioxide per kilogram of hydrogen when produced. The bill creates a refundable income tax credit for using clean hydrogen in addition to a state approval system process through the Public Utilities Commission for clean hydrogen projects.

With the shift towards clean energy, rural communities of Colorado faced a shift in their workforce through the loss of jobs in the oil and gas industry. *House Bill 23-1247* creates two studies through the PUC that includes information on specific energy generation and storage, regional economic impacts, and potential, prerequisite



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regulatory changes. The studies must take place in the following regions:

- northwestern and west end of Montrose county Colorado to study advanced energy solutions that may aid the transition to producing new energy sources and provide job opportunities to skilled workers from retired coal-fired power plants; and
- southeastern Colorado to study the potential for the development of new energy resources such as wind and solar as well as energy storage and transmission.

Wildfire

With climate change impacting the frequency and severity of wildfires, the General Assembly considered several bills regarding wildfire. The Wildfire Matters Review Committee is a permanent interim committee that may propose up to five pieces of legislation to be introduced in the following session.¹ The following three bills were signed into law:

- *Senate Bill 23-005* creates and expands timber, forest health, and wildfire mitigation workforce development and education programs across multiple agencies;
- *House Bill 23-1060* requires CSFS to upgrade and improve its seedling nursery in Fort Collins to expand capacity

and contribute to reforestation efforts; and

- *Senate Bill 23-013* requires DPS to conduct fire origin and cause investigations and creates the Fire Investigation Fund to support investigation costs and analyze and share data.

Wildfire-related legislation expanded beyond the Wildfire Matters Review Committee. *House Bill 23-1273* creates the Wildfire Resilient Homes Grant Program in the DPS to fund homeowners' wildfire resilience projects. *House Bill 23-1075* requires in the DPS to conduct a study investigating the integration and clearance time modeling in local emergency management plans.

Going Green at Home

In attempt to move towards Colorado's clean eco goals, lawmakers passed a number of bills that allows for residents of Colorado to make eco-friendly decisions. *House Bill 23-1234* creates a grant program within the Colorado Energy Office to assist local governments in implementing a free automated permitting and inspection program for solar energy systems. *House Bill 23-1134* requires home warranty service contracts to provide coverage that allows homeowners to replace gas-fueled appliances with a similar electric appliance. The appliance must meet the statutory efficiency requirements that have been

¹ Section 2-3-1602, C.R.S.



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expanded through *House Bill 23-1161*.

Water and efficiency standards for appliances and fixtures has been established through prior legislation have been updated and expanded appliances and fixtures subject to the standards through the bill.

