

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-1021.01 Sarah Lozano x3858

SENATE BILL 26-182

SENATE SPONSORSHIP

Snyder and Simpson,

HOUSE SPONSORSHIP

Caldwell and Paschal,

Senate Committees
Transportation & Energy

House Committees

A BILL FOR AN ACT

101 CONCERNING AN UPDATED CLEAN ENERGY PLAN FROM A MUNICIPALLY
102 OWNED UTILITY.

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>.)

Current law requires certain entities to file, or allows certain entities to voluntarily file, a clean energy plan to achieve an 80% reduction in greenhouse gas emissions caused by the entity's electricity sales in Colorado by 2030, relative to 2005 levels (2030 emission reductions).

A municipally owned utility that has encountered challenges in

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

achieving the 2030 emission reductions may submit to the division of administration in the department of public health and environment (division), no later than December 31, 2026, an updated clean energy plan that demonstrates achievement of the 2030 emission reductions by the earliest date possible on or after December 31, 2029, but no later than December 31, 2032.

A municipally owned utility that submits an updated clean energy plan to the division must:

- Provide a detailed generation and transmission plan to the division with the updated clean energy plan;
- Provide an annual report to the division beginning January 1, 2028, and continuing each year until December 31, 2033, that contains certain information related to the updated clean energy plan;
- Cease burning coal by December 31, 2032; and
- Seek to achieve certain additional reductions in greenhouse gas emissions without impairing the municipally owned utility's ability to maintain certain electric reliability standards.

The updated clean energy plan must be verified by the division, and the municipally owned utility must pay all costs for the verification.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 25-7-105, **amend** (1)
3 introductory portion; and **add** (1)(e)(VIII.5)(I), (1)(e)(XI.1), and
4 (1)(e)(XI.2) as follows:

5 **25-7-105. Duties of commission - technical secretary - rules -**
6 **report - legislative declaration - definitions - repeal.**

7 (1) Except as provided in sections 25-7-130 and 25-7-131, the
8 commission shall ~~promulgate~~ ADOPT rules that are consistent with the
9 legislative declaration set forth in section 25-7-102 and necessary for the
10 proper implementation and administration of this article 7, including:

11 (e) (VIII.5) (I) NOTWITHSTANDING ANY OTHER REQUIREMENT OF
12 THIS SUBSECTION (1)(e), A MUNICIPALLY OWNED UTILITY THAT HAS
13 ENCOUNTERED CHALLENGES IN ACHIEVING THE GREENHOUSE GAS

1 EMISSION REDUCTION PERCENTAGES IN A PREVIOUSLY FILED CLEAN
2 ENERGY PLAN MAY SUBMIT TO THE DIVISION, NO LATER THAN DECEMBER
3 31, 2026, AN UPDATED CLEAN ENERGY PLAN THAT HAS BEEN APPROVED BY
4 A VOTE OF THE MUNICIPALLY OWNED UTILITY'S GOVERNING BODY AND
5 THAT DEMONSTRATES THAT THE MUNICIPALLY OWNED UTILITY WILL
6 ACHIEVE AN EIGHTY PERCENT REDUCTION IN GREENHOUSE GAS EMISSIONS
7 CAUSED BY THE MUNICIPALLY OWNED UTILITY'S COLORADO RETAIL
8 ELECTRICITY SALES, RELATIVE TO 2005 LEVELS, BY THE EARLIEST DATE
9 POSSIBLE ON OR AFTER DECEMBER 31, 2029, BUT NO LATER THAN
10 DECEMBER 31, 2032.

11 (XI.1) A MUNICIPALLY OWNED UTILITY THAT SUBMITS AN
12 UPDATED CLEAN ENERGY PLAN PURSUANT TO SUBSECTION (1)(e)(VIII.5)(I)
13 OF THIS SECTION SHALL:

14 (A) ENSURE THAT THE UPDATED CLEAN ENERGY PLAN SUBMITTED
15 TO THE DIVISION CONTAINS A DETAILED GENERATION AND TRANSMISSION
16 PLAN THAT IS NOT GENERICALLY CLASSIFIED AS "TO BE DETERMINED", BUT
17 THAT INCLUDES THE AMOUNT AND TYPES OF RESOURCES ANTICIPATED TO
18 BE NEEDED TO ACHIEVE AN EIGHTY PERCENT REDUCTION IN GREENHOUSE
19 GAS EMISSIONS, THE ANTICIPATED DELIVERY AREAS WHERE NEW
20 GENERATION WOULD BE PROCURED, AND THE ANTICIPATED LOCATION AND
21 CAPACITY OF ANY NEW TRANSMISSION THAT WOULD NEED TO BE BUILT OR
22 ACQUIRED THROUGH THE REGIONAL TRANSMISSION ORGANIZATION OF
23 WHICH THE MUNICIPALLY OWNED UTILITY IS A MEMBER;

24 (B) BEGINNING JANUARY 1, 2028, AND CONTINUING EACH YEAR
25 UNTIL DECEMBER 31, 2033, ANNUALLY REPORT TO THE DIVISION AND
26 MAKE PUBLICLY AVAILABLE ON THE MUNICIPALLY OWNED UTILITY'S
27 WEBSITE: THE MUNICIPALLY OWNED UTILITY'S PROGRESS IN PLANNING FOR

1 AND ACQUIRING THE NECESSARY GENERATION AND TRANSMISSION
2 RESOURCES IDENTIFIED IN ITS UPDATED CLEAN ENERGY PLAN, THE
3 MUNICIPALLY OWNED UTILITY'S GREENHOUSE GAS EMISSION REDUCTIONS
4 RELATIVE TO 2005 LEVELS, AND AN UPDATED LOADS AND RESOURCES
5 TABLE THAT INCLUDES ANY CHANGES TO FORECASTED DEMAND FROM THE
6 FORECAST USED IN THE UPDATED CLEAN ENERGY PLAN;

7 (C) NO LATER THAN DECEMBER 31, 2032, CEASE BURNING COAL
8 AT ANY COAL-FIRED GENERATING UNIT OWNED, OPERATED, OR BOTH BY
9 THE MUNICIPALLY OWNED UTILITY;

10 (D) SEEK TO ACHIEVE A NINETY-FIVE PERCENT REDUCTION IN
11 GREENHOUSE GAS EMISSIONS CAUSED BY THE MUNICIPALLY OWNED
12 UTILITY'S COLORADO RETAIL ELECTRICITY SALES BY DECEMBER 31, 2039,
13 RELATIVE TO 2005 LEVELS, WITHOUT IMPAIRING THE MUNICIPALLY OWNED
14 UTILITY'S ABILITY TO MAINTAIN THE ELECTRIC RELIABILITY STANDARDS
15 OF A REGIONAL TRANSMISSION ORGANIZATION OF WHICH THE
16 MUNICIPALLY OWNED UTILITY IS A MEMBER; AND

17 (E) SEEK TO REDUCE, BETWEEN THE DATE AN EIGHTY PERCENT
18 REDUCTION IN GREENHOUSE GAS EMISSIONS IS ACHIEVED AND DECEMBER
19 31, 2035, ANY CUMULATIVE GREENHOUSE GAS EMISSIONS RESULTING
20 FROM THE UPDATED CLEAN ENERGY PLAN RELATIVE TO THE MUNICIPALLY
21 OWNED UTILITY'S ORIGINAL CLEAN ENERGY PLAN, WITHOUT IMPAIRING
22 THE MUNICIPALLY OWNED UTILITY'S ABILITY TO MAINTAIN THE ELECTRIC
23 RELIABILITY STANDARDS OF A REGIONAL TRANSMISSION ORGANIZATION
24 OF WHICH THE MUNICIPALLY OWNED UTILITY IS A MEMBER.

25 (XI.2) (A) AN UPDATED CLEAN ENERGY PLAN SUBMITTED BY A
26 MUNICIPALLY OWNED UTILITY PURSUANT TO SUBSECTION (1)(e)(VIII.5)(I)
27 OF THIS SECTION SHALL BE PUBLICLY VERIFIED BY THE DIVISION

1 CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION (1)(e)(VIII)(F) OF
2 THIS SECTION; EXCEPT THAT: DIVISION VERIFICATION MUST NOT INCLUDE
3 THE PUBLIC UTILITIES COMMISSION, AND THE MUNICIPALLY OWNED
4 UTILITY SHALL PAY ALL REASONABLE COSTS ASSOCIATED WITH THE
5 DIVISION'S VERIFICATION PURSUANT TO SUBSECTION (1)(e)(VIII)(F) OF
6 THIS SECTION.

7 (B) THE DATES ASSOCIATED WITH THE REQUIREMENTS SET FORTH
8 IN SUBSECTIONS (1)(e)(VIII)(C), (1)(e)(VIII)(F), AND (1)(e)(VIII.3) OF
9 THIS SECTION SHALL BE CONSTRUED TO ALIGN WITH THE REVISED DATES
10 IN SUBSECTION (1)(e)(VIII.5)(I) OF THIS SECTION FOR ANY UPDATED
11 CLEAN ENERGY PLAN SUBMITTED BY A MUNICIPALLY OWNED UTILITY
12 PURSUANT TO SUBSECTION (1)(e)(VIII.5)(I) OF THIS SECTION.

13 **SECTION 2. Safety clause.** The general assembly finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, or safety or for appropriations for
16 the support and maintenance of the departments of the state and state
17 institutions.