

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

ENGROSSED

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

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.

SENATE
Amended 2nd Reading
May 1, 2026

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 (1)(e)(VIII)(F); and **add** (1)(e)(VIII.5)(I),
4 (1)(e)(XI.1), and (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) (F) A clean energy plan voluntarily filed by a
12 cooperative electric association that has voted to exempt itself from
13 regulation by the public utilities commission pursuant to article 9.5 of title

1 40 or by a municipal utility shall be deemed approved by the public
2 utilities commission as filed if: The division in consultation with the
3 public utilities commission, publicly verifies that the plan demonstrates
4 that, by 2030, the cooperative electric association or municipal utility will
5 achieve at least an eighty percent reduction in greenhouse gas emissions
6 caused by the entity's Colorado retail electricity sales relative to 2005
7 levels; and the clean energy plan has previously been approved by a vote
8 of the entity's governing body. Voluntary submission of a clean energy
9 plan by a cooperative electric association or municipal utility does not
10 alter the entity's regulatory status with respect to the public utilities
11 commission, including under article 9.5 of title 40.

12 (VIII.5) (I) NOTWITHSTANDING ANY OTHER REQUIREMENT OF
13 THIS SUBSECTION (1)(e), A MUNICIPALLY OWNED UTILITY THAT HAS
14 ENCOUNTERED CHALLENGES IN ACHIEVING THE GREENHOUSE GAS
15 EMISSION REDUCTION PERCENTAGES IN A PREVIOUSLY FILED CLEAN
16 ENERGY PLAN MAY SUBMIT TO THE DIVISION, NO LATER THAN DECEMBER
17 31, 2026, AN UPDATED CLEAN ENERGY PLAN THAT HAS BEEN APPROVED BY
18 A VOTE OF THE MUNICIPALLY OWNED UTILITY'S GOVERNING BODY AND
19 THAT DEMONSTRATES THAT THE MUNICIPALLY OWNED UTILITY WILL
20 ACHIEVE AN EIGHTY PERCENT REDUCTION IN GREENHOUSE GAS EMISSIONS
21 CAUSED BY THE MUNICIPALLY OWNED UTILITY'S COLORADO RETAIL
22 ELECTRICITY SALES, RELATIVE TO 2005 LEVELS, BY THE EARLIEST DATE
23 POSSIBLE ON OR AFTER DECEMBER 31, 2029, BUT NO LATER THAN
24 DECEMBER 31, 2032.

25 (XI.1) A MUNICIPALLY OWNED UTILITY THAT SUBMITS AN
26 UPDATED CLEAN ENERGY PLAN PURSUANT TO SUBSECTION (1)(e)(VIII.5)(I)
27 OF THIS SECTION MUST:

1 (A) ENSURE THAT THE UPDATED CLEAN ENERGY PLAN SUBMITTED
2 TO THE DIVISION CONTAINS A DETAILED GENERATION AND TRANSMISSION
3 PLAN THAT IS NOT GENERICALLY CLASSIFIED AS "TO BE DETERMINED", BUT
4 THAT INCLUDES THE AMOUNT AND TYPES OF RESOURCES ANTICIPATED TO
5 BE NEEDED TO ACHIEVE AN EIGHTY PERCENT REDUCTION IN GREENHOUSE
6 GAS EMISSIONS, THE ANTICIPATED DELIVERY AREAS WHERE NEW
7 GENERATION WOULD BE PROCURED, AND THE ANTICIPATED LOCATION AND
8 CAPACITY OF ANY NEW TRANSMISSION THAT WOULD NEED TO BE BUILT OR
9 ACQUIRED THROUGH THE REGIONAL TRANSMISSION ORGANIZATION OF
10 WHICH THE MUNICIPALLY OWNED UTILITY IS A MEMBER;

11 (B) BEGINNING JANUARY 1, 2028, AND CONTINUING EACH YEAR
12 UNTIL DECEMBER 31, 2033, ANNUALLY REPORT TO THE DIVISION AND
13 MAKE PUBLICLY AVAILABLE ON THE MUNICIPALLY OWNED UTILITY'S
14 WEBSITE: THE MUNICIPALLY OWNED UTILITY'S PROGRESS IN PLANNING FOR
15 AND ACQUIRING THE NECESSARY GENERATION AND TRANSMISSION
16 RESOURCES IDENTIFIED IN ITS UPDATED CLEAN ENERGY PLAN, THE
17 MUNICIPALLY OWNED UTILITY'S GREENHOUSE GAS EMISSION REDUCTIONS
18 RELATIVE TO 2005 LEVELS, AND AN UPDATED LOADS AND RESOURCES
19 TABLE THAT INCLUDES ANY CHANGES TO FORECASTED DEMAND FROM THE
20 FORECAST USED IN THE UPDATED CLEAN ENERGY PLAN; AND

21 (C) NO LATER THAN DECEMBER 31, 2032, AND NOTWITHSTANDING
22 ANY OTHER RULES OF THE COMMISSION SETTING A TIMELINE FOR
23 CESSATION OF BURNING COAL, CEASE BURNING COAL AT ANY COAL-FIRED
24 GENERATING UNIT OWNED, OPERATED, OR BOTH BY THE MUNICIPALLY
25 OWNED UTILITY.

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27 (XI.2) (A) AN UPDATED CLEAN ENERGY PLAN SUBMITTED BY A

1 MUNICIPALLY OWNED UTILITY PURSUANT TO SUBSECTION (1)(e)(VIII.5)(I)
2 OF THIS SECTION SHALL BE PUBLICLY VERIFIED BY THE DIVISION
3 CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION (1)(e)(VIII)(F) OF
4 THIS SECTION.

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

11 **SECTION 2. In Colorado Revised Statutes, 31-15-707, add (2)**
12 **as follows:**

13 **31-15-707. Municipally owned utilities - powers of a**
14 **municipality - greenhouse gas emission reduction goals.**

15 (2) THE GOVERNING BODY OF A MUNICIPALLY OWNED UTILITY
16 THAT SUBMITS AN UPDATED CLEAN ENERGY PLAN PURSUANT TO SECTION
17 25-7-105 (1)(e)(VIII.5)(I) SHALL INSTRUCT THE MUNICIPALLY OWNED
18 UTILITY TO SEEK TO:

19 (a) ACHIEVE A NINETY-FIVE PERCENT REDUCTION IN GREENHOUSE
20 GAS EMISSIONS CAUSED BY THE MUNICIPALLY OWNED UTILITY'S
21 COLORADO RETAIL ELECTRICITY SALES BY DECEMBER 31, 2039, RELATIVE
22 TO 2005 LEVELS, WITHOUT IMPAIRING THE MUNICIPALLY OWNED UTILITY'S
23 ABILITY TO MAINTAIN THE ELECTRIC RELIABILITY STANDARDS OF A
24 REGIONAL TRANSMISSION ORGANIZATION OF WHICH THE MUNICIPALLY
25 OWNED UTILITY IS A MEMBER; AND

26 (b) REDUCE, BETWEEN THE DATE AN EIGHTY PERCENT REDUCTION
27 IN GREENHOUSE GAS EMISSIONS IS ACHIEVED AND DECEMBER 31, 2035,

1 ANY CUMULATIVE GREENHOUSE GAS EMISSIONS RESULTING FROM THE
2 UPDATED CLEAN ENERGY PLAN RELATIVE TO THE MUNICIPALLY OWNED
3 UTILITY'S ORIGINAL CLEAN ENERGY PLAN, WITHOUT IMPAIRING THE
4 MUNICIPALLY OWNED UTILITY'S ABILITY TO MAINTAIN THE ELECTRIC
5 RELIABILITY STANDARDS OF A REGIONAL TRANSMISSION ORGANIZATION
6 OF WHICH THE MUNICIPALLY OWNED UTILITY IS A MEMBER.

7 **SECTION 3. Safety clause.** The general assembly finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, or safety or for appropriations for
10 the support and maintenance of the departments of the state and state
11 institutions.