

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0429.01 Thomas Morris x4218

SENATE BILL 19-096

SENATE SPONSORSHIP

Donovan,

HOUSE SPONSORSHIP

Hansen,

Senate Committees
Transportation & Energy

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE COLLECTION OF GREENHOUSE GAS EMISSIONS DATA**
102 **TO FACILITATE THE IMPLEMENTATION OF MEASURES THAT**
103 **WOULD MOST COST-EFFECTIVELY ALLOW THE STATE TO MEET**
104 **ITS GREENHOUSE GAS EMISSIONS REDUCTION GOALS.**

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>.)

The bill requires the air quality control commission in the department of public health and environment to collect greenhouse gas emissions data from greenhouse gas-emitting entities, report on the data,

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

including a forecast of future emissions, and propose a draft rule to address the emissions by July 1, 2020.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25-7-140 as
3 follows:

4 **25-7-140. Greenhouse gas emissions - data collection -**
5 **legislative declaration - rules - reporting - forecasting - public**
6 **information - definitions. (1) Legislative declaration.** THE GENERAL
7 ASSEMBLY HEREBY:

8 (a) FINDS THAT:

9 (I) GREENHOUSE GAS EMISSIONS REPORTING REQUIREMENTS WERE
10 FIRST ESTABLISHED IN COLORADO IN 2008 WITH EXECUTIVE ORDER D
11 004-08. THE POLICIES ESTABLISHED BY THIS EXECUTIVE ORDER WERE
12 CONTINUED UNDER THE NEXT GOVERNOR AND REQUIRE THE DEPARTMENT
13 OF PUBLIC HEALTH AND ENVIRONMENT TO REPORT EVERY FIVE YEARS ON
14 ESTIMATES OF GREENHOUSE GAS EMISSIONS BY SECTOR. THE LAST REPORT
15 BY THE DEPARTMENT WAS ISSUED IN 2014 AND THE NEXT REPORT IS DUE
16 IN 2019.

17 (II) EXECUTIVE ORDER D 2017-015 DIRECTED THE DEPARTMENT
18 TO PROPOSE A STATE GREENHOUSE GAS REPORTING RULE THAT MIRRORS
19 THE CURRENT FEDERAL REPORTING RULE, 40 CFR 98, BY DECEMBER 30,
20 2018, AND ESTABLISHED THE FOLLOWING GOALS:

21 (A) REDUCING GREENHOUSE GAS EMISSIONS STATEWIDE BY MORE
22 THAN TWENTY-SIX PERCENT BELOW 2005 LEVELS BY 2025;

23 (B) REDUCING CARBON DIOXIDE EMISSIONS FROM THE
24 ELECTRICITY SECTOR BY TWENTY-FIVE PERCENT BELOW 2012 LEVELS BY
25 2025 AND THIRTY-FIVE PERCENT BELOW 2012 LEVELS BY 2030; AND

1 (C) REDUCING ELECTRICITY SALES BY TWO PERCENT BY 2020
2 THROUGH COST-EFFECTIVE ENERGY EFFICIENCY MEASURES;

3 (b) DETERMINES THAT:

4 (I) IT IS IN THE STATE'S INTEREST TO LEVERAGE DATA COLLECTED
5 AND ANALYSES CONDUCTED FOR ITS GREENHOUSE GAS EMISSIONS
6 INVENTORIES AND FORECASTS AND MAKE DATA SETS AVAILABLE TO LOCAL
7 GOVERNMENTS;

8 (II) WHILE OTHER STATES HAVE IDENTIFIED AND ADOPTED
9 GREENHOUSE GAS EMISSIONS REPORTING, INVENTORY, AND FORECAST
10 METHODOLOGIES THAT MORE EFFECTIVELY ACHIEVE THE FOLLOWING
11 PURPOSES, THE 2014 INVENTORY PERFORMED BY THE DEPARTMENT DID
12 NOT UTILIZE DATA THAT:

13 (A) MOST ACCURATELY ACCOUNTED FOR GREENHOUSE GAS
14 EMISSIONS IN CERTAIN SECTORS;

15 (B) EFFECTIVELY TRACKED PROGRESS ON REDUCING EMISSIONS;

16 OR

17 (C) ENABLED IDENTIFICATION OF EFFECTIVE STRATEGIES;

18 (III) WITH ONLY TWO MORE REPORTS ON GREENHOUSE GAS
19 EMISSIONS COMING DUE, IN 2019 AND 2024, BEFORE THE 2025 TARGET OF
20 EXECUTIVE ORDER D 2017-015, THERE IS INSUFFICIENT INFORMATION TO
21 ACCURATELY MEASURE PROGRESS AND IDENTIFY STEPS TO ACHIEVE THE
22 GOALS ESTABLISHED IN THE GOVERNOR'S 2017 ORDER;

23 (IV) BY COLLECTING AND DISSEMINATING BETTER INFORMATION
24 ON GREENHOUSE GAS EMISSIONS, COLORADO CAN MORE EFFECTIVELY
25 QUANTIFY EMISSIONS TRENDS, TRACK PROGRESS, AND IDENTIFY
26 POTENTIAL AREAS OF GREATEST IMPACT ON THE STATE'S GREENHOUSE GAS
27 EMISSIONS PROFILE TO FACILITATE THE IMPLEMENTATION OF MEASURES

1 THAT WOULD MOST COST-EFFECTIVELY ALLOW THE STATE TO MEET ITS
2 GREENHOUSE GAS EMISSIONS REDUCTION GOALS; AND

3 (V) DATA COLLECTION SHOULD:

4 (A) BE BOTH TIMELY AND ACCURATE, AND THE COLLECTED DATA
5 SHOULD BE MADE AVAILABLE TO THE PUBLIC; AND

6 (B) SUPPORT EMISSIONS TRACKING AND INFORM POTENTIAL
7 APPROACHES TO ACHIEVING THE STATE'S GREENHOUSE GAS EMISSIONS
8 REDUCTION GOALS; AND

9 (c) DECLARES THAT IT IS IN THE STATE'S INTEREST TO OBTAIN
10 ACCURATE MEASUREMENTS OF GREENHOUSE GAS EMISSIONS IN ORDER TO
11 TRACK PROGRESS AND IDENTIFY THE MOST EFFECTIVE STRATEGIES FOR
12 THE STATE TO ACHIEVE EXISTING AND FUTURE TARGETS FOR POLLUTION
13 REDUCTION.

14 (2) **Rules.** THE COMMISSION SHALL:

15 (a) BY DECEMBER 30, 2019, PROMULGATE RULES MODELED ON 40
16 CFR 98 TO REQUIRE THE SUBMISSION OF THE BEST INFORMATION
17 AVAILABLE FROM EMITTING ENTITIES WHILE ALSO USING DATA THAT IS
18 ALREADY BEING COLLECTED, INCLUDING PURSUANT TO FEDERAL LAW, AND
19 INFORMATION THAT IS ALREADY AVAILABLE TO MAKE THE DATA
20 COLLECTION AS EFFICIENT AS POSSIBLE. THE RULES MUST:

21 (I) DEFINE THE CLASS OF EMITTING ENTITIES THAT MUST REPORT
22 GREENHOUSE GAS EMISSIONS AND, FOR THIS PURPOSE, THE RULES MAY USE
23 THE ENTITIES THAT ARE SUBJECT TO REPORTING PURSUANT TO 40 CFR 98
24 OR MAY EXPAND THAT CLASS;

25 (II) IMPLEMENT MEASURES TO COLLECT AND REPORT STATEWIDE
26 AND ECONOMY-WIDE GREENHOUSE GAS EMISSIONS INFORMATION ON AN
27 ANNUAL BASIS; AND

1 (III) IMPLEMENT MEASURES TO COLLECT THE BEST INFORMATION
2 REASONABLY AVAILABLE FROM EMITTING ENTITIES IN ORDER TO
3 INVENTORY AND TRACK EMISSIONS WITH A HIGH DEGREE OF ACCURACY.

4 (b) BY JULY 1, 2020, PUBLISH A NOTICE OF PROPOSED
5 RULE-MAKING THAT PROPOSES RULES TO IMPLEMENT MEASURES THAT
6 WOULD MOST COST-EFFECTIVELY ALLOW THE STATE TO MEET ITS
7 GREENHOUSE GAS EMISSIONS REDUCTION GOALS.

8 (3) **Reporting.** IN CARRYING OUT ITS DUTIES PURSUANT TO THIS
9 SECTION, THE COMMISSION OR, IF APPROPRIATE, THE DIVISION:

10 (a) MAY REQUIRE EMITTING ENTITIES TO:

11 (I) REPORT THEIR GREENHOUSE GAS EMISSIONS AND OTHER
12 ASSOCIATED INFORMATION TO THE STATE ON A TIMELY, ANNUAL, AND
13 ECONOMY-WIDE BASIS;

14 (II) REPORT THE BEST REASONABLY AVAILABLE DATA THAT IS
15 ALREADY BEING COLLECTED, INCLUDING PURSUANT TO FEDERAL LAW;

16 (b) MAY ESTABLISH A REPORTING REQUIREMENT THRESHOLD THAT
17 IS APPROPRIATE FOR COLORADO; AND

18 (c) SHALL:

19 (I) CONDUCT AN ANNUAL, STATEWIDE AND ECONOMY-WIDE
20 INVENTORY OF GREENHOUSE GAS EMISSIONS BY SECTOR;

21 (II) IDENTIFY THE MOST COST-EFFECTIVE MECHANISMS FOR
22 TRACKING THE DATA COLLECTED WHILE ENSURING THE HIGHEST LEVEL OF
23 DATA ACCURACY THAT IS REASONABLE TO OBTAIN;

24 (III) PRODUCE THE FIRST COMPREHENSIVE INVENTORY ON OR
25 BEFORE DECEMBER 30, 2020, FOR EMISSIONS IN CALENDAR YEAR 2018
26 AND THEN ANNUALLY THEREAFTER;

27 (IV) WHEN ADOPTING AN INVENTORY REPORTING METHODOLOGY,

1 ATTEMPT TO:

2 (A) ACHIEVE HIGH ACCURACY IN THE MEASUREMENT OF
3 GREENHOUSE GAS EMISSIONS, EXCEPT WITH REGARD TO EMISSIONS THAT
4 ONLY SLIGHTLY EXCEED THE REPORTING THRESHOLD SO THAT HIGH
5 ACCURACY WOULD NOT PRODUCE MORE ACTIONABLE RESULTS;

6 (B) ENSURE SUFFICIENT GRANULARITY TO REFLECT CHANGES
7 RESULTING FROM ACTIONS TAKEN ON A STATEWIDE BASIS TO ADDRESS
8 CLIMATE CHANGE;

9 (C) CONSIDER THE CARBON SEQUESTRATION AND EMISSIONS
10 IMPLICATIONS OF FORESTRY AND AGRICULTURAL LAND USE PRACTICES;

11 (D) PRODUCE USEFUL AND ACTIONABLE RESULTS;

12 (E) CREATE DATA THAT IS COMPARABLE WITH INVENTORIES FROM
13 PREVIOUS YEARS;

14 (F) ENABLE GREENHOUSE GAS EMISSIONS FORECASTING; AND

15 (G) MAKE STATE-LEVEL FOUNDATIONAL DATA AVAILABLE TO
16 LOCAL JURISDICTIONS AND IN OTHER WAYS ENABLE THOSE JURISDICTIONS
17 TO IMPROVE THE QUALITY OF THEIR OWN LOCAL EMISSIONS INVENTORIES;

18 (V) RECALCULATE THE 2005, 2007, AND 2014 EMISSIONS
19 INVENTORIES, TO THE EXTENT POSSIBLE, USING THE INVENTORY
20 REPORTING METHODOLOGY ADOPTED PURSUANT TO SUBSECTION
21 (3)(c)(IV) OF THIS SECTION; AND

22 (VI) PERFORM ADDITIONAL RECALCULATIONS IF THE COMMISSION
23 MAKES SUBSEQUENT CHANGES TO THE METHODOLOGY THAT WOULD
24 SIGNIFICANTLY AFFECT PREVIOUS INVENTORY RESULTS.

25 (4) **Forecasting.** (a) THE DIVISION SHALL FORECAST COLORADO'S
26 GREENHOUSE GAS EMISSIONS FOR EVERY YEAR THROUGH 2050 USING THE
27 INVENTORY REPORTING METHODOLOGY ADOPTED PURSUANT TO

1 SUBSECTION (3)(c)(IV) OF THIS SECTION. THE FORECAST MUST CONSIDER
2 AT LEAST THREE SCENARIOS, INCLUDING NO ADDITIONAL ACTION TAKEN
3 ON A STATEWIDE BASIS TO ADDRESS CLIMATE CHANGE, A LOW LEVEL OF
4 ACTION TAKEN ON A STATEWIDE BASIS TO ADDRESS CLIMATE CHANGE,
5 AND A HIGH LEVEL OF ACTION TAKEN ON A STATEWIDE BASIS TO ADDRESS
6 CLIMATE CHANGE.

7 (b) IN SELECTING A METHODOLOGY TO CONDUCT THE FORECAST,
8 THE DIVISION SHALL:

9 (I) PROVIDE FORECASTS AT MULTIPLE MILESTONE YEARS,
10 INCLUDING 2030 AND 2050;

11 (II) USE LOCAL DATA TO FORECAST STATEWIDE TRENDS WHEN
12 POSSIBLE;

13 (III) INCLUDE CONSIDERATION OF FORECASTS FOR POPULATION
14 GROWTH AND CURRENT LOCAL AND STATE DATA ON HOUSING, MOBILITY,
15 AND OTHER DEMOGRAPHIC CRITERIA; AND

16 (IV) CHOOSE A METHODOLOGY THAT:

17 (A) CAN BE READILY USED TO MODEL MULTIPLE SCENARIOS; AND

18 (B) IS TRANSPARENT ABOUT WHICH FACTORS HAVE THE MOST
19 INFLUENCE OVER THE FORECAST RESULTS.

20 (5) **Public information.** THE DIVISION SHALL:

21 (a) PUBLICLY RELEASE THE FINDINGS OF THE ANNUAL INVENTORY
22 ON THE DIVISION'S WEBSITE AND MAINTAIN THE DATA THROUGH AT LEAST
23 2030; AND

24 (b) NOTWITHSTANDING 24-1-136 (11), REPORT THE FINDINGS TO
25 THE GOVERNOR, THE PUBLIC UTILITIES COMMISSION, AND THE GENERAL
26 ASSEMBLY.

27 (6) **Definition.** FOR THE PURPOSES OF THIS SECTION, "GREENHOUSE

1 GAS" MEANS CARBON DIOXIDE (CO₂), METHANE (CH₄), NITROUS OXIDE
2 (N₂O), HYDROFLUOROCARBONS (HFCs), PERFLUOROCARBONS (PFCs),
3 SULFUR HEXAFLUORIDE (SF₆), AND NITROGEN TRIFLUORIDE (NF₃).

4 **SECTION 2. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part will not take effect
11 unless approved by the people at the general election to be held in
12 November 2020 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.