

Colorado Energy Office (CEO) SMART Act Hearing

Joint House Energy and Environment and Senate
Transportation and Energy Committee
January 20, 2022



COLORADO
Governor Jared Polis



CEO Mission & Vision



Mission

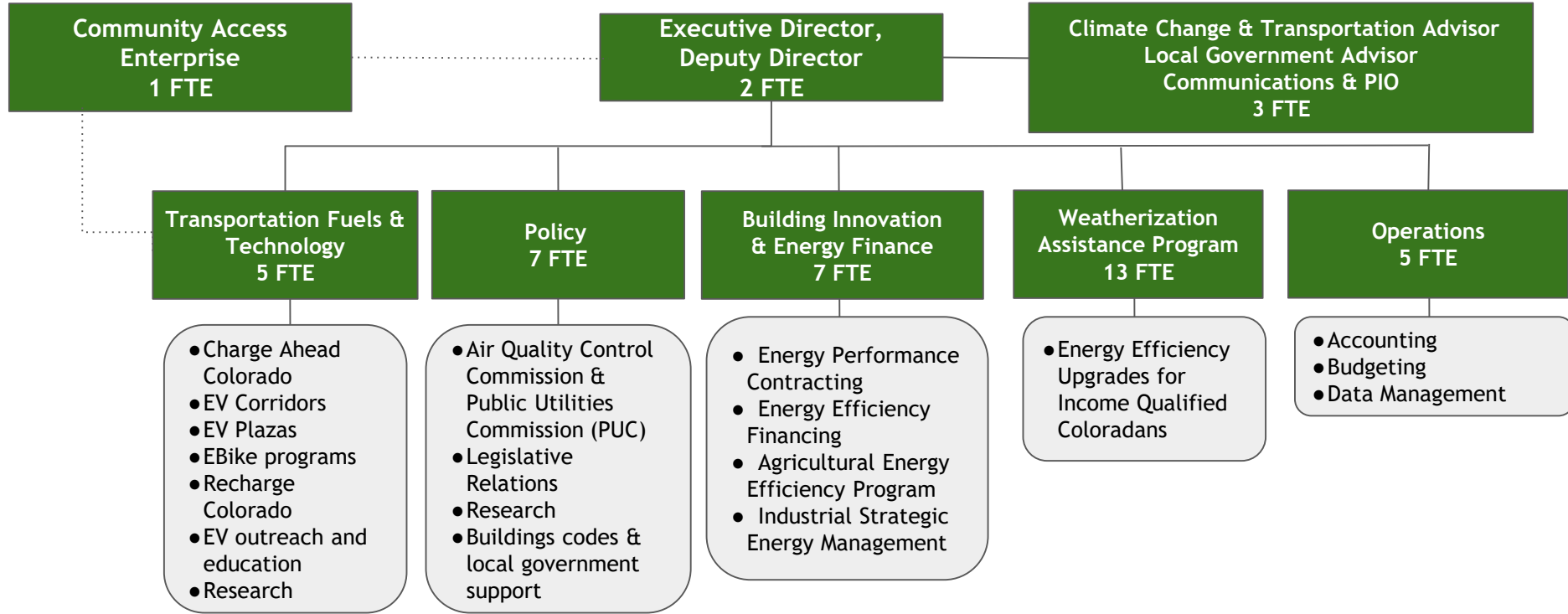
Reduce greenhouse gas emissions and consumer energy costs by advancing clean energy, energy efficiency and zero emission vehicles to benefit all Coloradans.



Vision

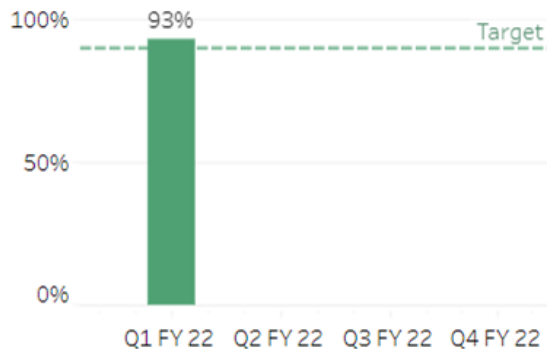
A prosperous, clean energy future for Colorado.

Colorado Energy Office Structure



CEO FY 2021-22 Wildly Important Goals (WIGs)

CEO: By June 30th, 2022, Colorado Energy Office will lead the state to take action on 90% of Near Term Actions articulated in the State's Greenhouse Gas (GHG) Roadmap published January 14th 2021, including State Agency Actions, proposed Legislation, and participation in the Public Utility Commission, Air Quality Control Commission, Transportation Commission and Colorado Oil and Gas Conservation Commission rulemaking processes through Spring 2022.



Successful completion of this goal will ensure Colorado is on track to meet its ambitious and wildly important greenhouse gas reduction goals laid out in the Greenhouse Gas Pollution Reduction Roadmap.



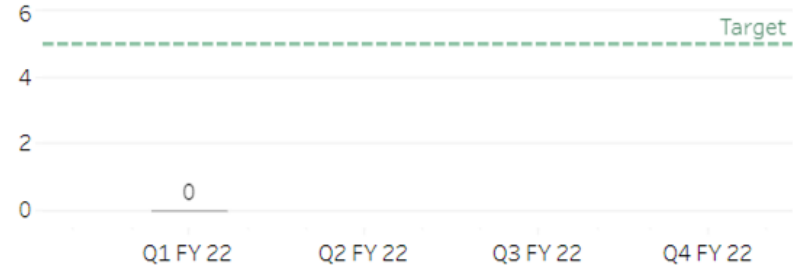
How CEO will accomplish the WIGs:

The Environment and Renewables Cabinet Working Group will achieve this goal through the following leading indicators:

CEO: Complete 3 AQCC or Transportation Commission rulemakings (e.g. Transportation emission rules; Industrial energy and emissions audits; Rules, Oil and gas emission reduction rules; Structures/building emission reduction rules) identified in near term action plan by June 30, 2022.



CEO: Conduct 5 listening tour stops by June 30th, 2022 across Colorado to better understand community concerns about climate change and share information about how the energy transition can benefit these communities by improving public health and creating jobs.



How CEO will accomplish the WIGs:

The Environment and Renewables Cabinet Working Group will achieve this goal through the following leading indicators:

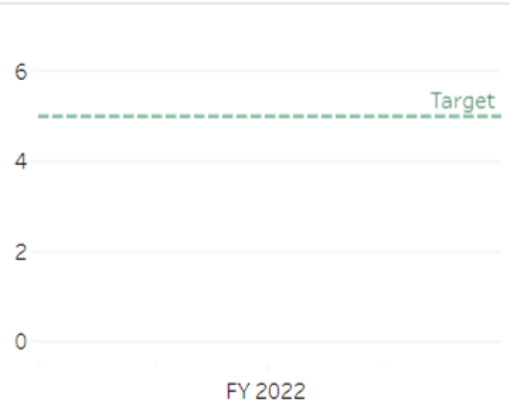
CEO: Complete 3 studies (Electric Vehicle Equity Plan, Clean Trucking Analysis, Natural and Working Lands Pathways Analysis) identified in near term action plan by June 30, 2022.



CEO FY 2021-22 Wildly Important Goals (WIGs)

Wildly Important Goal:

CEO: Colorado Energy Office will intervene in at least 5 Public Utility Commission (PUC) Electric Resource Plans or Clean Energy Plans by June 30, 2022 to advocate for the growth of renewable energy and maximize emissions reductions by at least 80%, while maintaining affordability and reliability.

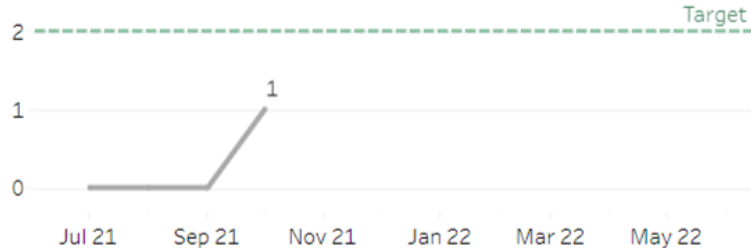


Successful completion of this goal will allow the state to meet its ambitious greenhouse gas reduction targets (exceed reduction target of 80% of 2005 levels by 2030), reduce pollution in our state which disproportionately affects low income and communities of color, and allow us to transition to a clean energy future.

How CEO will accomplish the WIGs:

The Environment and Renewables Cabinet Working Group will achieve this goal through the following leading indicator:

CEO: By June 30, 2022, CEO will file testimony in at least 2 electric resource plan proceedings that advocate for (or model) earlier retirement of coal-fired power plants, minimize the use of natural gas, and maximize renewable energy to exceed the sector-wide emissions reduction goal of 80% by 2030.



More information

To view monthly updates on Wildly Important Goals and corresponding lead measures, please visit the [Governor's Dashboard](#).

For more information on additional [Department] goals, view our FY 2021-22 Performance Plan at: operations.colorado.gov/performance-management/department-performance-plans

CEO Performance Management

- In addition to WIGs, CEO teams internally track progress on dozens of goals on a monthly basis
- Information is made public where possible
 - Example: [EV Dashboard](#)
- Goals are reviewed each year and updated during Strategic Planning
- EDI goals have been included in internal tracking
- Goals are also incorporated into individual performance plans which are created annually and reviewed at mid-year and end of year

CEO FY 2022-23 Budget Request

FY 2022-23 Budget Snapshot

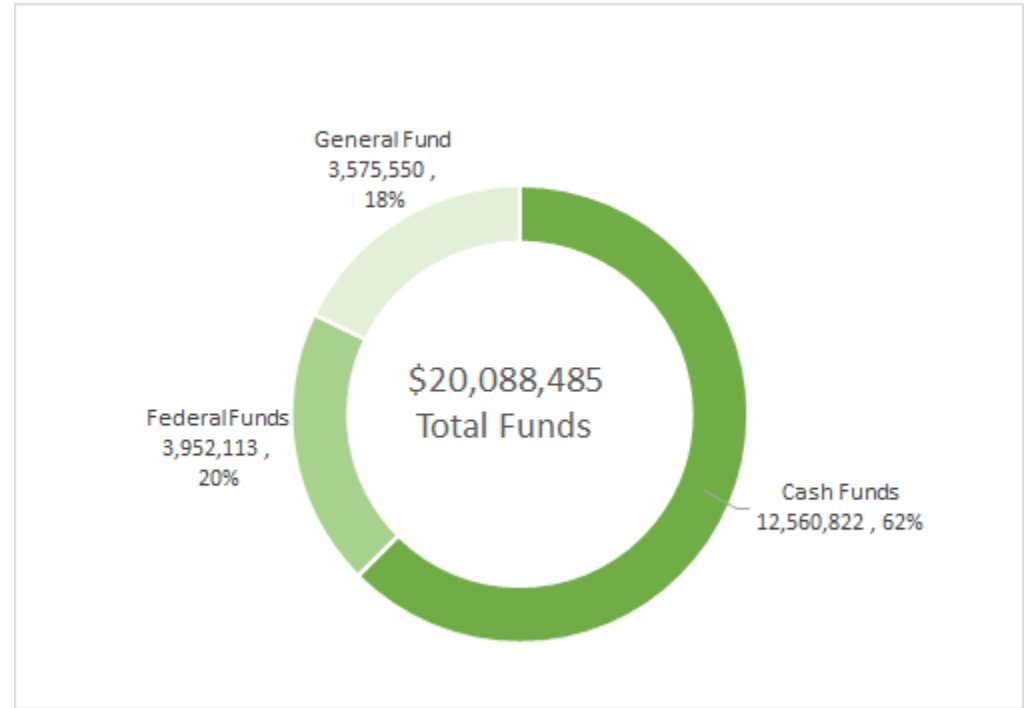
FY 2022-23 Total Funds: \$20,088,485*

FY 2022-23 General Fund: \$3,575,550

FY 2022-23 FTE: 48**

*An estimated \$77,457,895 additional federal funds (not included here) to be spent over five years will come to CEO through the Infrastructure Investment and Jobs Act

**including open positions



CEO Select FY 2022-23 Budget Requests

CEO's FY 2022-23 Budget Request includes the following:

- R-01 Cannabis Resource Optimization Program (\$4,500,000)
 - This includes \$2mm in General Funds and \$2.5mm in Marijuana Cash Tax Funds

Legislative Agenda

The Department respectfully requests consideration of the following legislation:

- Advanced Energy Codes/Buildings GHG Reduction Rulemaking (CEO) \$0.2M
- Clean Air Equity Building Investment (CEO) \$25M
- Investments in Strong Communities [Green Infrastructure] (DOLA/CEO) \$100M
ARPA, \$28 M GF
- Clean Air Grants (CEO) \$50M
- Cannabis Industry Energy Efficiency (CEO) \$2M GF, \$2.5M MTCF
- Electric Bike Rebates & Ride Share (CEO) \$12M
- Ozone Season Transit Fares (CEO/CDOT) \$28M
- Electric School Bus Investment (CDPHE/CEO) \$150M
- Energy Improvements in Affordable Housing (CEO) \$25M



Regulatory Agenda

To implement legislation and the state's GHG Roadmap and make progress toward the state's GHG targets, CEO participates before the Air Quality Control Commission and the Public Utilities Commission.

- AQCC - 2 rule makings on the regional haze state implementation plan and related to reducing emissions from trade-exposed, energy intensive industries.
- Transportation Commission - 1 rulemaking on transportation GHG pollution standard
- PUC
 - Engaged in 19 different dockets including:
 - 4 proceedings related to extreme weather cost recovery
 - 2 electric utility resource plans including Xcel Energy and Tri-State (SB19-236 and HB21-1266)
 - 1 rulemaking to implement gas planning rules and Clean Heat Plans (21-264)



Stimulus Funding Implementation

- CEO received a total of \$43,000,000 in stimulus funding with SB 21-230 and SB 21-231.
- As of December 31, 2021 CEO has expended a total of \$26,178,290

SB21-230 Summary	SB21-231 Summary
<p>Transferred funds to CEO to use up to:</p> <ul style="list-style-type: none">● \$30M for Colorado Clean Energy Fund● \$3M for Colorado New Energy Improvement District (NEID)● \$2M for Residential Energy Upgrade (RENU) loans● \$5M for the Charge Ahead Colorado program <p>In addition, funds are used for the Benchmarking and Building Performance Standards program authorized in House Bill 21-1286, "Energy Performance for Buildings."</p>	<p>Transferred funds to CEO to use up to:</p> <ul style="list-style-type: none">● \$3M for Weatherization



Stimulus Funding Implementation

SB21- 230 Report as of December 31, 2021

Summary as of December 31, 2021	Expenditures	Encumbrances	Total
Charge Ahead	\$0.00	\$1,156,680.00	\$1,156,680.00
Colorado Clean Energy Fund (CCEF)	\$26,000,000.00	\$4,000,000.00	\$30,000,000.00
New Energy Improvement District (NEID)	\$0.00	\$1,258,173.00	\$1,258,173.00
Residential Energy Upgrade (RENU)	\$0.00	\$0.00	\$0.00
Benchmarking	\$178,290.15	\$266,906.05	\$445,196.20
Total	\$26,080,160.97	\$6,418,965.34	\$33,260,049.20

Stimulus Funding Implementation

SB21- 231 Report as of December 31, 2021

- Funds will be allocated among the six Weatherization Assistance [service providers](#)
- \$650k expended through December on energy conservation measures
- Measures include basic Weatherization services, rooftop solar, and air source heat pumps
- On track to expend all \$3M by end of fiscal year

Equity, Diversity, and Inclusion

In accordance with the Governor's Executive Order [2020 175](#), the Department has implemented the following efforts in accordance with its equity, diversity, and inclusion plan:

- Training and Development
 - Supervisor training
 - New employee
 - Other opportunities such as lunch-n-learns
- EDI Accessibility Plan
- Hiring Guide