

April 22, 2019

Senate State, Veterans & Military Affairs Committee Members:

The Colorado Petroleum Council (CPC) submits the following written comments on House Bill 1261 'Climate Action Plan to Reduce Pollution', which will be heard in committee this afternoon. CPC is a division of the American Petroleum Institute and represents all facets of the oil and natural gas industry in Colorado.

CPC has significant concerns with House Bill 1261 as introduced and we are urging bill sponsors, at the very least, to amend this legislation. While CPC is concerned with the broad authority this bill provides to the Air Quality Control Commission, with little to no guidance, there are a few areas that we are particularly concerned with.

First and foremost, we think it is extremely important to recognize the progress that has been made in achieving GHG emission reductions. As oil and natural gas production has increased, GHG emissions have decreased and this is largely in part due to innovation and technology that the industry has voluntarily invested in. Policies that are put into place need to acknowledge this progress and ensure that future actions taken by the state don't hinder more progress from being made.

We believe any reporting of greenhouse gas emissions should be consistent with current federal Environmental Protection Agency inventory and reporting methodology. While this bill does not explicitly discuss the reporting of GHG emissions, there are multiple directives throughout the bill that will force the AQCC to reevaluate reporting. We believe for the sake of consistency reporting should mirror EPA reporting, and the bill should provide for guardrails that ensure this.

CPC has also identified a few definitional challenges throughout the bill that are problematic. Cost effectiveness is used throughout the bill, and we believe that the definition as written is ambiguous and provides for significant misinterpretation. Disproportionally impacted communities is also referenced throughout the bill, but is not defined. This could be easily misinterpreted and used as a mechanism by extremists to shut down particular industries.

Overall, we believe any legislation around GHG emissions needs to be thoughtful and inclusive of all stakeholders. While we believe the intent of House Bill 1261 is appropriate, the substance of the bill is lacking in certain areas and in order to ensure good policy is crafted, there needs to be amendments made to address stakeholders' concerns.

Sincerely,

Carrie Hackenberger
Colorado Petroleum Council