

House Energy & Environment

02/27/2025 01:30 PM

HB25-1165 Geologic Storage Enterprise & Geothermal Resources

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Mike Rawluk Amend themselves	<p>Please consider the burgeoning science of how CCS may affect seismic conditions.</p> <p>https://www.pnas.org/doi/10.1073/pnas.1202473109</p> <p>For example, the SLB has identified one of its holdings on Golden, CO as a site for CCS, yet the Golden Fault runs through the same parcel.</p> <p>Thank you!</p> <p>Mike Rawluk</p>
Brien Webster Against Conservation Colorado	<p>RE: Oppose Position on HB1165 - Concerning Carbon Sequestration Enterprise</p> <p>Mr. Chair, members of the committee, thank you for the opportunity to provide input on HB1165, concerning the establishment of a Carbon Sequestration Enterprise. We recognize the importance of this legislation in protecting Colorado, enabling effective carbon sequestration, and ensuring responsible long-term stewardship of CO2 storage sites.</p> <p>We are here today in a very respectful oppose position which we hope to move out of very soon based on today's hearing. We have been working with ECMC to address our concerns and believe the amendments you have today will move us to neutral.</p> <p>We appreciate the efforts of the Energy and Carbon Management Commission (ECMC) and the Department of Natural Resources (DNR) in addressing the crucial civil liability issue in the bill. Specifically, we commend the shift from waiving all liability for operators entering the stewardship program to waiving only regulatory liability. This change, supported by stakeholders, is a significant improvement.</p> <p>We believe that the amendments before you today provide the necessary safeguards and ensures the enterprise can fulfill its mandate effectively.</p>

	<p>Again, thank you to the ECMC and sponsors for their continued work on this bill. We are committed to working with you to ensure this legislation effectively protects Colorado's communities, climate, and wildlife.</p> <p>Thank you for your consideration,</p> <p>Brien Webster Public Lands Campaign Manager Conservation Colorado brien@conservationco.org</p>
<p>Jeany Rush Against themself</p>	<p>TO: House Energy & Environment Committee RE: HB25-1165 Geologic Storage Enterprise & Geothermal Resources 2-27-25 Sponsors: Paschal, Soper, Simpson, Kipp From: Jeany Rush, Colorado Springs Constituent VOTE: NO</p> <p>There are multiple reasons for saying NO to this bill.</p> <p>Let me rehash what I am seeing you create/project/impose on the citizens of Colorado.</p> <p>You want to create a stewardship Enterprise in the Dept. of Natural Resources including the right to :</p> <ul style="list-style-type: none"> Impose/decide Amount of annual fees. Fund long-term stewardship of geologic storage in the state. Fund closing, reclaiming and remediating of orphaned geo. storage facilities in the state. Ensure that costs associated with long-term stewardship of geologic storage facilities are borne by geologic storage operators in the form of fees. <p>Then the board creates a board under this wing to administer the Enterprise. Each make rules to implement the bill in closing sites: Once you allow the commission in place, it approves the following: (We are talking tons of injection carbon dioxide)</p> <p>BELOW IS PART OF YOUR LIST OF WHAT THE BOARD WILL ADMINISTER---</p> <ul style="list-style-type: none"> • Ownership of the injection carbon dioxide, and ownership of any remaining facilities used to inject or store injection carbon dioxide, transfer to the state without payment of additional compensation; • ! Except in specified circumstances, the geologic storage operator is released from all regulatory liability associated with the continued storage of the

	<p>injection carbon dioxide and the long-term stewardship of the associated geologic storage facility;</p> <p>! The enterprise undertakes long-term stewardship of the injection carbon dioxide and any associated geologic storage facility.</p> <p>This bill further adds updates to laws concerning the administration of underground geothermal resources, clarifying non-tributary groundwater, exempts some operations for well permits, adds a sharing of regulation of shallow geothermal operations with the state engineer and the state board of examiners.</p> <p>Further you rename state board of examiners of water well construction and pump installation contractors. Further you let them regulate heat exchanger contractors, as for water well construction contractors and pump installation contractors.</p> <p>1. You are Bringing in Colorado Established statewide emission targets to reduce greenhouse gas emissions based on levels that existed in 2005: 26% reduction by 2025, 50% reduction by 2030, and net-zero emissions by 2050:</p> <p>I respectfully ask you to document the actual numbers you are sharing, in detail of percentage of gases etc. in our atmosphere. My understanding is</p> <p>CO2 IS APPROXIMATELY .04% OF 1% OF THE TRACE GASES THAT MAKE UP OUR ATMOSPHERE. OXYGEN IS 21% , AND NITROGEN IS 78%. (ARGON IS .93% OF THE REMAINING 1%. OTHER GASES ARE .03%, AND AGAIN, CO2 OS .04%.</p> <p>It is believed we are at approx. 400 Parts Per Million currently, and if you manage to take us to approximately 150 Parts Per Million, we will die, as will all plant life.</p> <p>At worst, The USA has been given numbers of approx. 15% world emissions. The rest of the world is the other 85%, Our state is one of the cleanest in whatever, theoretical emissions we claim. We are not destroying the planet by eating, pooping, living. It is the irresponsible and false science being put forth.</p> <p>Creating carbon credits, and more false statistics, data, and un-scientific and false climate data, has paralyzed our country, and falsely cost Trillions of dollars in all of this Hocus Pocus. Worse, the proposed venture into carbon sequestration, CO2 pipelines, is akin to creating another World War, Tsunami, Atomic Explosions, and any other disaster you can create – and I mean all over the world. If there is an explosion, it would be 100’s of times more dangerous than a gas pipeline. The danger to human life is catastrophic and no ONE TALKS ABOUT THIS DANGER DANGER.</p> <p>There is so much more in this bill, but I was just starting with some of the major points.</p> <p>I HAVE NOT SEEN YOU DISCUSS, CALCULATE, QUANTIFY THE LONGTERM DANGERS TO ANYONE UPON A PIPELINE EXPLOSION. I HAVE NOT SEEN ANY REAL CALCULATIONS OF STORAGE FOR THE VERY LONG HAUL. I HAVE NOT SEEN ANY DISCUSSION FOR EMERGENCY PREPAREDNESS IN THE EVENT OF AN ACCIDENT.</p> <p>AS PER YOUR WORDS, THE BILL DISCUSSES 2 TYPES OF TECHNOLOGY, AND OTHER ISSUES, THEREBY NOT BEING A SINGLE SUBJECT BILL, WHICH I WAS UNDER THE IMPRESSION WAS A REQUIREMENT.</p>
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	<p>I SEE NO ACTUAL FINANCIAL ASSESSMENT IN THE EVENT OF AN ACCIDENT.</p> <p>THIS SMELLS LIKE THE HIDDEN COSTS, DANGERS, AND UNCLEAN PARTS OF NUCLEAR. I DON'T THINK MINING URANIUM IS CLEAN nor is it safe to store. Many of the containers now storing radioactive materials will degrade before the radiation is done. What does that bode for CO2 in pipelines so far underground. . NEITHER IS CO2 STORAGE IN GUARABTEED. NO MATTER HOW YOU WANT THE COMPANIES TO PAY YOU ARE DUMPING INTO COLORADO FOR OUR CHILDREN, UNKNOWN DANGER DANGER, AND WORSE. YOU WANT TO CALL THIS A CLEAN WAY TO STORE AN ENERGY SOURCE, AND IT IS INSANE. THE COSTS INSANE. AND MANY MORE OTHER ENCUMBRANCES. Not even discussing the other geothermal impacts.</p> <p>I want this committee to quantify all of this, in dollars, human cost, time, land, and all future impacts for the Trillions it will cost, while filling the pockets of private companies which can even partner with states to steal via eminent domain land. Insurance Companies do not want to insure farmers next to carbon pipelines or within a certain distance. I do not see the expertise to address this in anyway. Only that many companies want the Trillions of dollars, and want us all to help them pay, such as the subsidies you all want to give Nuclear by calling it Clean. "The Emperor has no clothes"</p> <p>And I feel this bill, this committee does not have enough true scientific data, based on the false climate change, zero carbon hoax data it is claiming. But worse, I do not think you are being responsible, to create the unspoken dangers and costs in this UNCLEAN Energy creation. This is simply not something our STATE and our Citizens should have to carry, bare, or maintain into the future, when we have enough energy until the future can actually do something RESPONSIBLE. THIS IS NOT A SUBJECT LIKE THE BILLS THAT CONGRESS PASSES SO THEY CAN READ AND UNDERSTAND. NOT A SINGLE SUBJECT BILL EITHER. HORRIBLE IMPACTS ON PEOPLE! YOU CANT PUT LIPSTICK ON THAT PIG!</p>
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HB25-1165, Geologic Storage Enterprise & Geothermal Resources

Representative Paschal & Soper, Senator Simpson & Kipp

Protecting Colorado and Enabling Effective Carbon Sequestration

The Colorado Carbon Management Roadmap, ECMC's Carbon Capture and Storage (CCS) study, and Colorado's Carbon Capture Sequestration and Utilization (CCUS) Task Force all called for the State to create a process for long-term stewardship of CO₂ storage sites. DNR proposes to establish an enterprise to address long-term stewardship of CCS sites after they have been successfully closed. This approach protects Colorado communities from future impacts from storage facilities, ensures our state's climate goals are met, relieves state taxpayers of a burden to manage these sites, and provides certainty to operators. The enterprise will be funded by a fee on geologic storage operators to provide the necessary resources to conduct long term monitoring and stewardship activities. This approach complements ECMC's proposed Class VI regulations and aligns with similar strategies adopted in other states, including Illinois, Pennsylvania, Indiana, Wyoming, Louisiana, Montana, and North Dakota.

Carbon Sequestration Enterprise

DNR proposes to create a state enterprise with the following responsibilities:

- Assume State ownership of CO₂ after site closure under the following conditions:
 - Operator is in compliance with all applicable laws governing the facility.
 - Operator has contributed required injection fees into the enterprise and enterprise has sufficient funds to accept the transfer.
 - No outstanding legal or environmental issues that could affect the State's ability to assume the transfer.
 - Completion of public notification and comment period.
 - Commission can reimpose regulatory liability and financial assurance if operator makes a misrepresentation to Commission.
- Collect fees from operators to fund long-term monitoring and site stewardship, cover costs of any necessary remediation, and support the enterprise.
- Use fee revenue to plug and reclaim orphaned Class VI facilities in coordination with ECMC's use of forfeited financial assurance.
- Governed by five member Enterprise Board made up of ECMC Chair, ECMC Director, an individual with experience in environmental protection or public health, an individual with expertise in carbon storage, and an individual with expertise in well monitoring, long-term stewardship, or other relevant technical fields.

Class VI Regulations

SB23-016 gave the ECMC authority to pursue primacy over Class VI wells. ECMC adopted regulations in December that will form the basis for the State's primacy application which will be submitted in early 2025.

Statute requires ECMC conduct a rigorous cumulative impacts analysis for any Class VI project being considered within a DI community and not approve any project that will have a net-negative cumulative impact on the community.

Under ECMC's regulations, operators will have to meet the following conditions to achieve site closure prior to any facility being transferred to the proposed enterprise:

- Injection operations have ceased, and all reclamation requirements have been met.
- All wells properly plugged, and demonstrated to retain mechanical integrity.
- Operator has completed all site closure requirements, demonstrating the CO₂ plume is stable and doesn't pose a risk to USDWs.
- If the operator cannot complete all site closure requirements, the operator will maintain ownership, regulatory liability, and responsibility for stewardship.

Questions?

Please contact Daphne Gervais, DNR Director of Legislative Affairs

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HB25-1165, Geologic Storage Enterprise & Geothermal Resources

Streamlining Geothermal Development through Clear and Predictable Regulation

The Energy and Carbon Management Commission (ECMC) and Division of Water Resources (DWR) are responsible for regulating geothermal development in Colorado. In support of the State's climate and energy goals, the Department has identified statutory changes that will clarify and streamline our regulatory framework while facilitating responsible development of geothermal resources in Colorado. These recommendations will minimize costs, expedite permitting, reduce risks to industry and the public, and clarify regulatory authority across State agencies.

Proposed Revisions to Geothermal Regulation

In order to improve the regulation of geothermal development in Colorado, DNR proposes the following statutory revisions:

- Avoid a dual-permitting scenario by eliminating the requirement to obtain a DWR water use permit for deep geothermal operations associated with nontributary groundwater where the initial and subsequent residual uses only make use of the heat.
- Amend the definition of "Deep Geothermal Operation" to allow the use of heat produced with fluids in oil and gas operations in a broader range of circumstances than currently allowed.
- Give the Board of Examiners of Water Well Construction and Pump Installation Contractors licensing and enforcement authority over closed-loop geothermal systems. This will allow the Board to protect the public health and groundwater resources by licensing geothermal loop drillers, and having oversight over the construction, sealing, and abandonment of closed-loop systems, including installation standards and periodic inspections.
- Clarify that ECMC has authority over deep geothermal operations that do not utilize designated groundwater within the boundaries of Designated Basins.
- Clarify ECMC's authority to enforce the Deep Geothermal Rules.

Background

SB23-285 directed ECMC and DWR to evaluate the State regulatory structure for geothermal resources and whether changes to law or regulations are necessary. ECMC and DWR conducted extensive stakeholding through 2024 and will be releasing the final report in December. The Department's proposed statutory changes are informed by that study.

In August, the ECMC Commission unanimously adopted regulations governing deep geothermal operations. The rules offer a path to develop Colorado's geothermal resources and incorporate ECMC's expertise and experience regulating both surface and subsurface energy development activity to be protective of public health, safety, and welfare, including the environment and wildlife resources.

In July, ECMC completed a study of Colorado's geothermal resources: [Geothermal in Colorado: Resources, Use Strategies, and Impact Considerations](#). That report provides a comprehensive review of Colorado's geothermal history, assesses our geothermal resources, analyzes the market for geothermal development in the state, and evaluates regulatory considerations.

Questions?

Please contact Daphne Gervais, DNR Director of Legislative Affairs

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Direct Air Capture
Coalition

February 27, 2025

Christopher Neidl

Board Secretary

[The Direct Air Capture Coalition](#)

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House Committee on Energy and Environment

Colorado General Assembly

State Capitol Building

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Denver, CO 80203

Re: SUPPORT - HB25-1165 Geologic Storage Enterprise & Geothermal Resources

Chair Valdez, Vice Chair [Velasco](#), and Members of the Committee,

My name is Chris Neidl and I thank you for the opportunity to submit written testimony. I serve as a founding board member of [the Direct Air Capture Coalition](#) - a nonpartisan, non-profit organization working to advance the deployment of Direct Air Capture - or DAC - technology, worldwide. We represent [80 member organizations](#), 52 of which are DAC companies, a number of which have a presence in Colorado.

I submit this written testimony to express the Direct Air Capture Coalition's strong support for HB25-1165. We believe this legislation represents a vital step forward in enabling responsible carbon sequestration in Colorado, and can serve as a model for other states.

DAC is a diverse technology class that removes CO₂ directly from the air, which can be stored geologically or in durable materials. The U.N. IPCC, the National Academies of Sciences, and the International Energy Agency (IEA) have all concluded that DAC will be an important tool for meeting net-zero targets.

Over the next 25 years DAC will be most critically needed to balance emissions from those industrial sectors that are most difficult or impossible to fully decarbonize. [According to a 2023 McKinsey & Company report](#), Colorado's hard-to-abate emissions are three times higher than the national average as a share of its total emissions. This inevitably elevates the importance of DAC within the state's carbon management strategy, and therefore, overall net zero strategy.

And fortunately Colorado has everything it needs to support DAC at scale: abundant clean energy potential, strong policy commitments, and a thriving climate-tech ecosystem.

But Colorado's other massive advantage is its vast geologic sequestration potential, estimated at over 650 billion tons by the Colorado Geological Survey.



Geologic sequestration is not new. And based on empirical data synthesized in a [2023 DOE funded study, co-authored by Colorado State University](#), properly sited and regulated sequestration is one of the safest and most effective tools we have to meet our climate goals. Additionally, Colorado's unique geography co-locates hard-to-abate industrial emissions facilities with high-quality carbon storage sites, anchored in the Front Range and Eastern Plains. This can limit the need for long-distance pipelines, addressing public concerns and lowering costs.

These very same regions are also home to industrial operations that have supported Colorado's economy and sustained thousands of jobs for decades. Under robust state oversight, existing infrastructure and expertise concentrated there provides an optimal platform for efficient, cost-competitive, and safe sequestration.

The greatest advantage of carbon sequestration is that it is functionally permanent. Unfortunately, however, the geological timescale does not align with the much shorter cycles of commerce and legal contracts. And this creates a challenge in structuring long-term liability for carbon storage projects.

HB25-1165 directly addresses this key gap by transferring CO₂ site responsibility from private operators to the state; but only after stringent closure requirements are met, and provided the operators have remained compliant and have contributed necessary funds. This structure provides financial predictability for operators while guaranteeing public safety, environmental integrity, and alignment with the state's climate goals.

To conclude, Colorado has the geology, industrial expertise, net zero rationale and private sector investment necessary to do carbon storage at scale. But government leadership and oversight are what will ensure that it's done right and in the public interest. And I believe strongly that this legislation is central to that end.

For these reasons, I strongly encourage the committee to support it.

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