

Testimony of Pam Kiely  
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April 5, 2019

Good morning. My name is Pam Kiely. I am the Senior Director Regulatory Strategy at Environmental Defense Fund, where I lead our engagement with state-level climate efforts across the country. EDF is a leading national nonprofit, with offices here in Colorado, focused on finding innovative solutions to our most pressing environmental problems. I am pleased to be here today on behalf of our nearly 15,000 members across Colorado, in strong support of HB1261.

Climate change is the pivotal challenge of our time. How we respond to this challenge will shape our future, our children's future, and the future of our planet.

It is exciting and inspiring to see Colorado yet again taking a leadership role in tackling environmental problems and driving towards innovative energy solutions.

I want to thank Speaker Becker and Representative Jackson for their vision and commitment in championing this vitally important legislation, which will make Colorado a national and global leader in tackling climate change.

I'd like to take a few quick minutes to walk through what we see as the most critical aspects of this legislation.

- The first and most important thing that this legislation does is establish greenhouse gas pollution reduction goals for Colorado in Section 1 – it provides that Colorado will have goals of achieving, relative to 2005 levels, a 26% reduction in pollution by 2025, a 50% reduction by 2030, and a 90% reduction by 2050.
- The bill also provides that the AQCC will promulgate implementing rules and regulations consistent with these goals, and ensures that the implementing regulations will provide for the tracking of sources that affect disproportionately impacted communities and include strategies designed to help reduce the air pollution harming those communities. In this way the bill pairs strong action on climate change with a focus on localized air pollution concerns.
  - Importantly, this bill does not attempt to prescribe the specifics of the implementing regulations—rather, the bill creates the space to begin a thoughtful, transparent, and collaborative process to develop the rules, regulations, and policies needed for the state to reduce greenhouse pollution to reach science-based targets. The bill is designed to create both optionality and flexibility, informed by stakeholder input, to ensure rigorous yet workable policy outcomes for the state. The bill also aims to create clarity around key issues

AQCC must consider when evaluating options for implementing regulations in Section 3.

- The bill specifically directs the AQCC to solicit input from stakeholders on the advantages of different pollution mitigation measures, including from those most impacted by climate change, workers, and communities currently economically dependent on industries with high levels of greenhouse gas emissions. (subsection 3--(1)(e)(III))
- Subsection iV provides explicitly for flexibilities and optionality as the air quality control commission is contemplating implementing regulations, while in Subsection V the legislation clarity around a number of key issues for the AQCC to consider in designing implementing regulations. Importantly, the Commission shall consider the health, environmental, air quality, and other benefits of compliance and the importance of working to distribute these benefits equitably; opportunities to incentivize renewable energy and pollution abatement opportunities in disproportionately impacted communities; opportunities to encourage clean energy in transitioning communities; opportunities to increase the resilience of Colorado's communities and natural resources to climate impacts; and whether the pollution reduction program can be designed to achieve greater or more cost-effective emission reductions. (subsection (1)(e)(V))
- Finally, in subsection Vii, he bill ensures strong coordination between the AQCC and the PUC—requiring the AQCC to consult with the PUC in implementing the pollution reduction program, and ensuring that the AQCC will not dictate the specific mix of generating resources that utilities use to meet the pollution limits. (subsection (1)(e)(VII))
- HB1261 provides a structure to support and encourage ambitious action in the electric power sector—the type of ambitious action that will be important for achieving the goals.
  - The bill outlines that a utility submitting a clean energy plan to the PUC that provides an 80% reduction in the greenhouse gas emissions from the utility's Colorado electricity sales by 2030 relative to the 2005 levels will not be required to achieve reductions beyond that those levels, and that the AQCC will not impose costs on the utility associated with the emissions allowed under that plan.

Colorado has laid tremendous groundwork over the last decade—driving investment and innovation in clean energy technologies. We have a strong foundation to build from, and to

take the next step to secure the types of bold reductions in climate pollution necessary to avoid the most catastrophic effects of a changing climate. This legislation is the beginning of a collaborative effort to move the state expeditiously forward towards securing the reductions necessary, and we believe it provides a strong vision and begins a thoughtful process to develop an efficient, protective regulatory framework.