

CC4CA Policy Statement (With Explanatory Text) Effective July 1, 2019

Adopted by the CC4CA Steering Committee on June 27, 2019 for Final Member Sign-Off

Colorado Communities for Climate Action is a coalition of local governments advocating for stronger state and federal climate policy. CC4CA's policy priorities for 2019-2020 reflect unanimous agreement among the coalition members on steps that should be taken at the state and federal level, often in partnership with local governments, to enable Colorado and its communities to lead in protecting the climate.

CC4CA generally focuses on legislative, regulatory, and administrative action, supporting efforts that advance the general policy principles and the detailed policy positions described below, and opposing efforts that would weaken or undermine these principles and positions.

General Policy Principles

The following general principles guide the specific policies that Colorado Communities for Climate Action advocates for:

Supports collaboration between state and federal government agencies and Colorado's local governments to advance local climate protection.

Supports state and federal programs to reduce carbon pollution, including adequate and ongoing funding of those programs.

Supports analyses, financial incentives, and enabling policies for the development and deployment of clean energy technologies.

Supports locally driven and designed programs to support communities impacted by the clean energy transformation.

Supports prioritizing policies that put people at the center of decision-making, do not exacerbate or create disparities in growing the green economy, and enhance equitable outcomes for all.

Policy Positions

Colorado Communities for Climate Action supports the following policy positions:

Statewide Climate Strategies

1. Reducing statewide carbon emissions consistent with or greater than the State of Colorado's 2019 codified goals.

Reducing greenhouse gas emissions is at the heart of CC4CA's policy positions. CC4CA supports the state's new goals for reducing emissions and regulatory actions that support or accelerate meaningful emission reductions.

CC4CA supports other actions by the Colorado Public Utilities Commission, the Colorado Department of Public Health and Environment, the Air Quality Control Commission, and other state agencies and entities to ensure that Colorado achieves or exceeds established emission reduction goals and timelines. CC4CA believes it essential that the state government provide an opportunity for meaningful, sustained collaboration with local governments in developing specific climate actions tied to meeting the state's goals.

2. Securing accurate, frequent greenhouse gas inventories and forecasts for Colorado.

CC4CA recognizes the importance of credible inventories and forecasts in assessing the effectiveness and cost-efficiency of various emissions reduction strategies. Updated sector-specific emission baselines and projections are vital in making strategic decisions about maintaining progress toward and improving the state's emissions reduction efforts. CC4CA supports the Colorado Department of Public Health and Environment's new requirements to conduct frequent and accurate greenhouse gas emissions inventories and forecasts. CC4CA also supports opportunities for local jurisdictions to access data from the ongoing updates, and the ability to engage in designing the reporting structure that is most useful for stakeholders.

3. Adopting a comprehensive market-based approach to reduce Colorado's greenhouse gas emissions.

Climate change is resulting in part from the failure of markets to put a price on climate pollution. Because there is no cost to emit heat-trapping gasses, producers have no incentive to eliminate them. Society bears the increasing cost of this pollution as climate change progresses. To overcome this market failure, CC4CA supports a market-based approach to reducing carbon emissions statewide, including policies to ensure the benefits of legislation accrue justly and equitably to impacted communities. A market-based approach could be undertaken at national,

regional, or state levels, and could take different forms. One approach is a fee or tax on climate pollution. Another is a cap-and-trade program that allows trading of limited emission rights that are sold and then could be traded to achieve economically efficient emission reductions. Examples include the Regional Greenhouse Gas Initiative covering 10 northeastern U.S. states and California's statewide cap-and-trade program.

4. Expanding the consideration of the environmental and health costs associated with the use of fossil fuels.

The social cost of carbon is a measure of the economic harm from the environmental and health impacts of emitting one ton of carbon dioxide into the atmosphere, expressed as the dollar value of the total damages. CC4CA supports the Public Utilities Commission's new requirements in SB19-236 to consider the social cost of carbon when making decisions related to electric utilities. CC4CA supports expanding the use of a social cost of carbon to other emissions modeling efforts, including to clean energy plans submitted by utilities to the Air Quality Control Commission. Additionally, CC4CA supports the use of a social cost of carbon in the decision-making processes associated with other emissions sectors such as heating and transportation.

Local Climate Strategies

5. Removing barriers and promoting opportunities that allow counties and municipalities to maximize the deployment of local clean energy and climate options.

The deployment of local energy generation and distributed technologies will continue to be a critical component of Colorado communities' climate efforts. In many cases, regulatory or legislative limitations exist that will need to be removed for communities to fully explore new local program options and technologies that can effectively reduce fossil fuel use, increase energy resilience, and support community values related to climate protection. For example, the integration of local renewable energy generation, storage technologies, and microgrids all support a local jurisdiction's ability to address the supply side of energy-related emissions. These strategies should be designed to ensure affordable, accessible, and equitable delivery of reliable clean energy for everyone.

6. Enabling local governments to obtain the energy use and other data they need to effectively address climate change.

Local governments need convenient and consistent access to data that is essential for developing and administering local programs related to greenhouse gas emissions. For example, access to uniform data from electric and gas utilities is critical for implementing building energy use disclosure and benchmarking programs designed to make sure building owners, tenants, and others are fully

informed about energy performance. Local governments also struggle to get consistent data regarding waste collection and disposal, oil and gas operations, and other sources of heat-trapping emissions. CC4CA supports state government actions and policies that lead to uniform systems for collection and distribution of data from investor-owned and public utilities that is easily accessible to local governments, while still protective of data privacy for residents and businesses.

7. Supporting a public process for evaluating retail energy choice options for local jurisdictions.

A growing number of cities and counties are establishing ambitious near-term energy goals, but there is currently no practical way to reach many of these goals because the jurisdictions have little choice or control over the energy sources used to produce their electricity. These communities, as well as businesses with energy or sustainability goals, deserve a solution that is timely and cost-effective. CC4CA does not advocate for any particular solution, but rather calls for an inclusive and transparent public process to evaluate all of the options. This process should be led by state level decision-makers and informed by a broad variety of stakeholders including local governments with energy goals, business interests, environmental and consumer advocates, utilities, independent power producers and marketers, and the general public.

8. Supporting policies that promote energy efficient buildings.

More than 40 percent of the energy consumed in the United States is tied to the use of buildings. Building codes, consequently, are among the most powerful tools available for reducing carbon pollution (and, not incidentally, saving money in both residential and commercial buildings). CC4CA supports the newly-adopted state law directing local code jurisdictions to adopt one of the three most recent energy codes, and also supports jurisdictions having the option to adopt “advanced” energy codes such as those that meet Net Zero standards.

However, the pace of improvements to energy performance in codes has stalled with the 2015 and 2018 versions of the International Energy Conservation Code. International Code Council processes allow local governments to vote on proposed provisions in pending codes. Building departments, fire authorities, sustainability departments, utilities and other similar groups are all eligible voting members. Through this policy position, CC4CA could encourage its members to participate in the voting process. This policy position recognizes the ability of local governments to influence energy codes “upstream” while retaining the ability of local governments to choose when to adopt codes and/or make local amendments.

9. Providing for equitable strategies to enable and accelerate beneficial electrification.

“Beneficial electrification” refers to replacing direct fossil fuel consumption (e.g., propane, natural gas, gasoline) with electricity in end uses like heating buildings, heating water, and transportation. While the ability to decarbonize fossil fuels is limited, electricity will continue getting cleaner (including Colorado’s goal for 100% renewable electricity by 2040), meaning that electrification will generally lower GHG emissions and has the potential to lower energy costs as well. Electrification of the US transportation, commercial, and residential sectors would reduce GHG emissions by 70%. Replacing natural gas heat with electric heat pumps is one example: heat pumps are over 200% efficient at capturing heat from the air, ground or waste sources. They also cool buildings, which will be especially important as climate change causes hotter summers.

Enabling policies would need to look at energy consumption holistically and across the economy. CC4CA supports policies, strategies and practices that accelerate locally-sensitive beneficial electrification targeting the most practical, high impact, and valuable fuel switching opportunities while saving money for consumers, reducing GHG emissions, improving quality of life, and making the electric grid more robust and resilient.

Energy Generation

10. Accelerating retirement of existing fossil fuel generation facilities and their replacement with cost-effective and reliable clean energy supplies, through means that protect both utilities and consumers.

Wind and solar energy is now cheaper than the energy generated by many aging coal plants and is increasingly cost competitive with natural gas power plants. Colorado is blessed with some of the best solar and wind resources in the country, which should allow for a quicker and a more affordable transition to clean energy. The key to unlocking emission reductions and electricity bill savings is developing a legal framework allowing utilities and their customers to equitably share the benefits and costs. CC4CA supports actions in Colorado to enable the early retirement of fossil fuel-based power plants and their replacement with clean energy sources, while protecting the economic interests of both the utilities owning the power plants and electricity customers. In Colorado, there is an opportunity to recover up to \$1.5 billion in undepreciated asset value by existing coal-plant owners to facilitate the voluntary phased retirement of the coal plants.

11. Expanding the ability of electric cooperatives to independently purchase local renewable electricity and take other steps to reduce carbon pollution.

Tri-State Generation and Transmission Association’s electric cooperative customers have faced the imposition of contractual limitations and steep fees when attempting

to expand their use of local renewable energy sources. CC4CA supports the ability of electric cooperatives to purchase non-polluting electricity without limitations like these.

12. Expanding distributed generation, energy storage, high levels of renewable energy generation (distributed and utility-scale), and appropriate technologies through grid modernization.

A wide array of grid modernization policies and actions are available to both communities and utilities that can reduce energy consumption, better align availability of electricity to demand, expand renewable energy generation, and collectively reduce carbon pollution from the power generation sector (while also improving reliability and reducing cost). CC4CA supports policies and funding that result in these types of grid modernization efforts in Colorado.

Energy Efficiency

13. Expanding demand side savings from efficiency and conservation for all energy types.

While the 2019 legislative session produced significant greenhouse gas emissions legislation, no new action was taken to update utility-level efficiency goals. As GHG and renewable energy goals ratchet up in coming years, a continued focus on least-cost energy efficiency is important to minimize ratepayer costs and ease the transition to more renewable sources. Governor Hickenlooper's Executive Order D 2017-015 set a new goal to achieve two percent per year energy efficiency by 2020, which is readily achievable and should be extended beyond that date. The state of Massachusetts, for example, had an electric energy efficiency target of 2.95% for 2018.

Moreover, no recent state actions have included energy efficiency targets for natural gas utilities or unregulated fuels such as propane. Establishing a two percent annual energy efficiency savings target for these utilities is one potential action. Such actions could also include encouraging municipal and cooperative utilities to adopt and achieve similar efficiency targets and exploring mechanisms for establishing similar goals for non-utility energy providers (e.g., propane sales).

14. Supporting ongoing and sustainable funding for weatherization and renewable energy assistance to low-income households so that all Coloradans have access to comfortable and affordable homes.

Reducing energy bills is a key component to home affordability, and low-income households are often forced to spend a disproportionately large percentage of their income on energy utility bills. Assisting families and seniors by increasing the safety and comfort of their homes while reducing their energy bills will allow all Coloradans greater choice in where they live while also improving energy efficiency.

Sources of existing funding for programs include the annual federal Weatherization Assistance Program allocation, supplemental funds from state severance tax dollars and utility allocated demand side management funds. CC4CA also supports expanding programs to assist these households with obtaining renewable energy, both onsite and as part of community solar gardens. Additionally, programs that assist communities in transition from coal-dominated economies should include these types of weatherization and renewable energy programs to assist those community members who need it most and to help build the local clean energy economy.

15. Providing counties and statutory cities and towns with the same authority held by home rule cities to implement local energy conservation policies and programs.

Unlike their home rule municipal peers, Colorado's counties and statutory cities and towns in many cases lack authority to adopt and implement many energy conservation policies and programs. For example, only Colorado home rule cities have statutory authorization to enact energy conservation ordinances despite how effective they are for improving the energy efficiency and performance of existing residential and commercial buildings. Enabling legislation is needed to provide Colorado's counties and statutory cities and towns with the authority necessary to enact policies and programs that can support and promote energy conservation within their jurisdictions.

Transportation

16. Ensuring effective implementation of Colorado's vehicle emissions standards and other regulatory activities designed to reduce carbon emissions from vehicles.

Transportation remains one of the largest sources of greenhouse gas emissions in Colorado, and strengthening emissions rules and expanding electric vehicle deployment are two central strategies for reducing transportation-related greenhouse gas emissions. To this end, CC4CA supports adoption of motor vehicle emission standards equal to or exceeding those already adopted by California, including requirements for zero-emission vehicles and collaborative efforts for effective implementation.

17. Implementing the 2018 Colorado Electric Vehicle Plan and other efforts to increase electrification of all motor vehicles.

The 2018 Colorado Electric Vehicle Plan provides a good roadmap for accelerating the purchase and use of electric vehicles, including a goal of having nearly one million on the road by 2030. One key component of an effective EV strategy is adequate public charging stations, including an abundance of DC fast charging stations, to increase general awareness and provide assurance of the ability to

charge vehicles on longer trips. This is especially true in rural areas and along highway corridors. Other important elements include incentive and grant programs, increased EV availability and model types, reduced barriers to expanding EV fleets and transit, and expanding EV education and outreach. Colorado should continue taking advantage of other opportunities to expand EV deployment as well. For instance, CC4CA supports the current plan to commit all of Colorado's remaining share of the Volkswagen emissions control violations settlement to the construction of electric vehicle charging infrastructure across the state and to the purchase of zero emission transit vehicles.

18. Increasing multimodal transportation funding.

Multi-modal options are expanding but access and availability are still limited in many areas. CC4CA supports increasing the proportion of multimodal funding in transportation plans across Colorado, assigning a significant amount of dedicated multi-modal funding with new funding sources and allocations, generally prioritizing expanding high-speed electric transit and bus rapid transit, employing transit-oriented design principles where appropriate, promoting transit alternatives over general purpose highway lane alternatives when feasible, and expanding accessible, bicycle, and pedestrian infrastructure.

19. Incentivizing and selecting mobility alternatives, including movement of both people and goods, based on energy efficiency and environmental costs and benefits.

Evaluating transportation alternatives in terms of their transportation efficiency—that is, the efficiency and environmental costs of moving people and goods—can be a powerful tool for reducing emissions from the transportation sector. CC4CA generally supports a range of strategies for improving transportation efficiency, including: promoting a mode-shift away from single-occupancy use of vehicles to shared and high-capacity vehicle use; comparing the efficiency of transportation alternatives based on energy consumption and carbon emissions per unit of payload delivery; employing Context Sensitive Solutions or similar processes to determine the local environmental and social impacts of all major transportation projects; including the full range of costs in the life-cycle analyses of competing transportation alternatives; supporting the use of Travel Demand Management strategies for all high-capacity highway corridors; incentives/fees designed to encourage ride-sharing or other strategies aimed at lowering per rider GHG emissions generated by operators of Transportation Network Companies like Lyft and Uber; and encouraging the deployment of connected vehicle technology.

Fossil Fuel Extraction Activities

20. Expanding monitoring of and reducing the full life cycle emissions from fossil fuel extractive industry activities.

The mining and extraction of fossil fuels can result in significant levels of direct carbon pollution. One primary culprit is methane. Methane has a shorter-lived but much more potent heat-trapping effect than carbon dioxide. Reducing methane emissions is consequently a highly effective way to buy time to implement more comprehensive actions to reduce industry-wide carbon dioxide emissions. SB19-181 directs the Colorado Department of Public Health and Environment to consider developing more stringent regulations to control the release of methane from the production and transportation of oil and natural gas. CC4CA supports actions like these to reduce greenhouse gas emissions throughout the entire extraction and transportation processes involving raw fossil fuels. CC4CA also supports expanded monitoring of the full life cycle emissions from these activities.

Solid Waste Reduction

21. Granting CDPHE the authority to implement a plan for meeting Colorado's statewide and regional solid waste diversion goals.

In August 2017, the Colorado Solid and Hazardous Waste Commission adopted new statewide and regional municipal solid waste diversion goals, including separate goals for 11 Front Range counties and for the remainder of the state for the years 2021, 2026, and 2036. CC4CA supports CDPHE having the authority it needs to meet these goals and supports increased data collection and reporting by the waste hauling industry, including statewide reporting standardization.

22. Reducing the use of disposable/single-use products and promoting the reuse of materials.

Existing protocols for emissions inventories do not include emissions associated with the use of resources other than landfill-related emissions. However, C40 Cities investigated the consumption-based emissions from 79 cities, focusing on the goods and services consumed and used by residents, and found that total consumption-based emissions were approximately 60% higher than the traditional energy sector-based inventories. Construction and demolition waste, for example, is an important contributor to emissions. CC4CA supports traditional recycling and composting initiatives, legislative efforts like eliminating the state's preemption of local authority to ban the use or sale of specific types of plastic materials or products or restrictions on containers for consumer products, and strategies to reduce the embodied emissions associated with the goods and services consumed.

23. Fostering infrastructure, policies, incentives, and programs for recycling and composting.

Zero waste strategies such as recycling, composting, reuse, and source reduction are proven solutions that reduce emissions of both carbon dioxide and methane and can be implemented immediately. Recycling 90% of our discards by 2030 would reduce U.S. greenhouse gas emissions by the equivalent of closing more than 80 U.S. coal-fired power plants. However, Colorado has a poor waste diversion rate of 12% compared with the national average of 35%. Not all recycling and compost solutions are created equal, so individual proposals and policies should be evaluated based on their potential to reduce emissions in both the short and long term

The largest climate benefit from recycling is the reduced energy and materials needed to manufacture new products. CC4CA supports a range of actions, including encouraging remanufacturing and market development for recycled products, including purchasing policies that include recycled-content standards.

For organic waste, composting is often an effective strategy. Forty percent of our waste is organic material, which not only produces methane when it breaks down anaerobically (e.g., in landfills), but can be a powerful climate solution when converted aerobically into compost. Research is just starting to quantify the carbon sequestration potential of this material. CC4CA supports food waste diversion and rescue efforts as well as purchasing policies that drive market development.

General

24. Promoting proactive programs and efforts that improve the resilience and adaptability of Colorado communities in the face of natural disasters and other major challenges associated with climate change.

Even under the best case greenhouse gas emissions scenarios, some degree of climate change and climate disruption will continue for years to come. CC4CA encourages and supports initiatives that increase community resilience (e.g., of community infrastructure) to climate-amplified economic challenges and that help communities prepare for human-caused and natural hazards through education, research, planning, design, construction, operation and maintenance. Emergency response planning can incorporate climate change science, for instance. Similarly, local jurisdictions can utilize comprehensive risk and vulnerability assessments that consider event likelihood and consequence, encourages mitigation strategies, monitors outcomes, and addresses recovery and return to service. This type of resilience planning should be routinely included in the planning/design process for infrastructure at all government levels.

25. Optimizing the potential for carbon sequestration through regenerative agriculture, improved soil health, and forest management.

The United Nations' 2018 report on limiting global warming emphasizes the importance of increasing land-based carbon sequestration. Sequestering a significant portion of the anthropogenic CO₂ already emitted into the atmosphere involves a range of strategies including carbon farming via regenerative agriculture, and afforestation and reforestation. Combined, these two sequestration strategies could capture and store an estimated 27 gigatons of CO₂/year globally.

Regenerative agriculture involves holistic land management practices that sequester carbon while improving soil health, crop yields, water resilience, and nutrient density – an immense opportunity to convert agriculture from a net source of CO₂ into a carbon sink. Forest management practices emphasizing carbon storage can occur at both the landscape and urban scale. CC4CA supports policies aimed at creating new mechanisms and opportunities that support Colorado's agricultural sector through land use policies and incentives that recognize the importance of healthy ecosystems on addressing climate change, in addition to policies, resources and strategies to optimize the carbon sequestration potential of Colorado's urban and natural forests.

26. Incorporating equity, accessibility, and just transition considerations into climate policies and actions.

Climate change impacts everyone, but certain communities (e.g., people of color, low-income communities, immigrants) stand to be disproportionately impacted due to deep-rooted systems (e.g., systemic racism, housing costs). Conversely, those who have contributed the most to climate change have much better capacity to protect themselves from its impacts. As the effects of climate change mount, so does the urgency of addressing this equity challenge. CC4CA supports approaching equity in a holistic manner, focusing on dividing the burden of responding to the threat of climate change and sharing the opportunities and benefits of climate action. CC4CA recognizes that equity challenges are presented both between and within our local jurisdictions and we support the need to identify and accelerate opportunities for enhanced synergies between climate action and development needs and priorities of communities and individuals.

CC4CA supports the type of just transition efforts proscribed by SB19-236 and HB19-1314, such as the creation of a new state Just Transition Office and requiring investor-owned utilities to incorporate workforce transition plans when proposing an electric generating facility retirement. CC4CA supports the expansion of the just transition requirement to all electric utilities to ensure Colorado communities and workers are protected and can access the benefits associated with the clean energy transition.

27. Encouraging investments that achieve climate-positive solutions.

Divesting assets of fossil fuel-related holdings is an increasingly utilized climate action strategy. CC4CA supports policies that encourage entities investing public dollars to consider partial or full divestment as part of their investment strategies.

28. Maintaining protections and authorities currently provided under environmental laws like the Clean Air Act and the Clean Water Act.

Protecting Colorado's air, water, and land is vital to its environment, economy, and people. The protections and authorities afforded by landmark federal laws such as the Clean Air Act and Clean Water Act are foundational to the fight against climate change. For example, the 2007 ruling by the U.S. Supreme Court that greenhouse gas emissions are air pollutants and thus subject to regulation under the Clean Air Act, and the subsequent 2009 U.S. Environmental Protection Agency endangerment finding that indeed, such emissions present a danger to public health, obligate our federal government to utilize the protections provided by the Clean Air Act to take action to limit emissions. Local governments rely on these protections and can be critical allies in this effort, as scores of communities across Colorado already are implementing a broad array of initiatives to advance climate protection at the local level, and often doing so in collaboration with the state and federal governments. CC4CA communities support the protections and authorities provided under the body of existing environmental law and will strongly oppose legislative, regulatory, and other efforts to roll back or diminish them.