



October 30, 2020

Dear Governor Polis, Colorado Energy Office, Colorado Department of Public Health and Environment, Colorado Department of Transportation, Colorado Department of Natural Resources, Colorado Department of Agriculture, and Members of the Air Quality Control Commission:

Thank you for the opportunity to engage in the development of the Greenhouse Gas Pollution Reduction Roadmap and for the opportunity to comment on the draft. The Healthy Colorado Initiative is a partnership of the Colorado Forum and The Nature Conservancy in Colorado. The Colorado Forum plays a critical role by engaging business leaders in public policy that is good for Colorado. The Nature Conservancy in Colorado carries out scientifically based strategies to ensure that people and nature thrive. The Healthy Colorado Initiative, launched in 2018, is dedicated to convening partners across sectors to create collaborative climate action and position Colorado as a leader in combating climate change.

The Healthy Colorado Initiative would like to commend the state for undertaking a decarbonization analysis and developing a draft roadmap to make progress toward our state's greenhouse gas reduction goals. We issued a statement of support when the Roadmap was released on September 30.¹ The Healthy Colorado Initiative supports the science-based goals of House Bill 19-1261 and affirms the urgent need to reduce greenhouse gas emissions. All Coloradans in urban and rural communities alike—including disadvantaged communities, people of color, Tribes and indigenous people, forest-adjacent communities, and ranchers and farmers—are experiencing the impacts of climate change. These impacts include persistent drought, changes in precipitation patterns, and more frequent and severe wildfires. The outdoor industry, including the ski industry, rafting, tourism, and fishing, face unique risks due to a changing climate.

According to the Roadmap analysis, Colorado is halfway toward meeting our 2025 and 2030 greenhouse gas pollution reduction goals. Progress has been made but more must be done given the urgency of the climate crisis and in view of our statutory pollution reduction goals. In particular, electric utilities, including Xcel, Tri-State, and a number of cooperative utilities and municipal utilities, have made strides in adopting renewable energy sources and planning closures of coal-fired power plants. Colorado must continue to build on this progress in the near-term, as delaying action could make our goals more difficult to achieve.

The Healthy Colorado Initiative has developed comments on the Roadmap related to the utility sector, transportation, buildings, and natural working lands, as well as overarching comments related to policy design.

The need for comprehensive policies to reach our goals

The Healthy Colorado Initiative would like to note the gap between our state's current emissions trajectory and our statutory pollution reduction goals. To address this emissions gap, we call upon the state to develop and swiftly adopt enforceable, verifiable, and equitable policies. Incentives and voluntary action, while necessary—especially in sectors such as buildings and transportation—will not be sufficient to meet our goals. Colorado needs policies to provide a market signal and regulatory certainty to drive investment toward low-carbon technologies, such as a stronger framework for pilot projects and demonstration of new carbon-free technologies.

The Healthy Colorado Initiative appreciates the effort undertaken to develop a proposed near-term action plan and encourages the state to further refine this near-term action plan to include additional specificity, including the specific policy or regulatory lever needed, proposed timeline, government entities involved, and expected emissions reduction. Importantly, these policies should be developed with the robust engagement of disproportionately impacted communities and designed to, in turn, benefit those communities. Taken together, the proposed policies and actions should allow the state to achieve our 2025 and 2030 goals with a high degree of confidence. Given the urgent need to address climate change and meet our statutory goals, we request that the state put forth a timetable for developing and adopting these policies.

The Healthy Colorado Initiative affirms the crucial role that sector-specific policies play in reducing emissions, and we recommend that the state also consider the complementary role that multi-sector or economy-wide policies and programs can play. In particular, in combination with other policies, multi-sector carbon pricing programs can drive cost-effective emissions reductions across the economy and create revenue to be invested in low-carbon technologies, natural and working lands, and adaptation.

Further, we recommend that a more complete economic analysis be conducted in line with the Roadmap analysis and in consultation with the private sector. Such economic analysis should evaluate the full life cycle costs and benefits of greenhouse gas reduction policies, including the cost impacts to consumers. Policies should then be prioritized based on the expected return on investment from both a greenhouse gas reduction standpoint and a financial standpoint.

Electric power sector

The Healthy Colorado Initiative recognizes the progress made by the electric power sector and the pivotal role this sector will continue to play in decarbonizing the state's economy. We appreciate Governor Polis' goal of achieving 100 percent renewable energy by 2040 and affirm the need to accelerate the transition to renewable resources in order to meet this goal.

Because reducing emissions from electricity generation is important to other sectors like transportation and buildings as they also electrify, the Healthy Colorado Initiative encourages the state to introduce more specific policies related to this sector. We support the state's recommendation to establish a policy to require all electric utilities to reduce their greenhouse gas emissions 80 percent by 2030. In addition, we recommend that the state further investigate and then consider promoting or requiring performance-based rulemaking, as discussed in the Roadmap, and other mechanisms or incentives to achieve even deeper greenhouse gas emission reductions.

The Healthy Colorado Initiative recognizes the need to accelerate renewable energy development along with the need to conserve priority wildlife and habitat. We also recognize the need to keep transmission costs and electricity rates affordable. As such, the Healthy Colorado Initiative calls upon the state to recognize the importance of appropriately siting renewable energy to minimize or avoid impacts to high-value natural and working lands. This approach also will help to reduce conflict and accelerate the deployment of renewables. When reviewing new renewable energy generation and transmission, the state should evaluate direct and indirect impacts to wildlife and habitat. In addition, the state should seek to adopt programs and policies that incentivize renewable energy deployment on marginal lands, unused working lands, or already degraded lands. For example, in July 2020, the Massachusetts Department of Energy Resources revised regulations for its SMART program, a state incentive program established to support the development of solar in Massachusetts. The new regulations include criteria that incentivize solar development on already disturbed lands.

With regard to local government and other entities charged with approving renewable energy development, we suggest these entities consider renewable resource potential, using tools like The National Renewable Energy Lab's [Renewable Energy Technical Potential Model](#), and environmental criteria, using tools such as The Nature Conservancy's [Site Wind Right Map](#) and [Power of Place](#) analysis.

Transportation

Today, transportation is the largest source of emissions in Colorado and more needs to be done to address this sector's emissions. The Healthy Colorado Initiative recognizes the need to electrify vehicles, reduce the carbon content of fuels, reduce vehicle miles traveled and improve transit funding, coverage, and access. We also recognize the need to encourage biking and other nonmotorized vehicle use. We recognize the work already underway by the state to explore a zero-emission vehicle standard for medium- and heavy-duty vehicles, and strongly encourage the state to consider adopting such a standard. While the transportation near-term action plan provides a good general direction, we request that the state provide additional specificity with regard to the proposed actions, including specific policy levers to be used, government entities responsible, full level of investment needed, and a proposed timeline.

Given the state's goal of having one million electric vehicles on the road by 2030 and the need to rapidly electrify light-duty passenger vehicles, we recommend that the state examine the impact of extending the electric vehicle rebates, which are set to decline over time.

The Healthy Colorado Initiative supports integrating local land use and transportation planning with goals to reduce greenhouse gas emissions. We note that this is an area in need of additional analysis and discussion and would welcome the opportunity to work with the state to generate recommendations for next action steps.

With regard to the need for securing additional transportation funding, The Nature Conservancy has expertise in creating new public funding sources and would be glad to collaborate with the state on this topic.

Recognizing that public and private sector employers are a natural concentration point for deploying transportation demand management and other transportation related programs, the Healthy Colorado Initiative is putting together and will be distributing a guidebook aimed at helping employers design and deploy their own green mobility programs. This “Go Green Colorado Handbook” will include recommendations for employers on how to organize and measure the impact of these efforts as well as provide ideas and case studies for program elements ranging from telecommuting and flexible work hours to bike rooms, shower facilities and EV charging infrastructure.

Buildings

Residential, commercial, and industrial buildings compose a significant share of Colorado’s emissions today. The Healthy Colorado Initiative affirms the need to continue improving energy efficiency of our building stock, switch to lower-carbon alternatives such as renewable natural gas and hydrogen, and facilitate beneficial electrification in both new and existing buildings. Energy efficiency in particular offers benefits to lower-income households and has demonstrated public health benefits. Making existing homes in lower-income communities more energy efficient not only saves energy and avoids greenhouse gas and other emissions, it also improves the health and comfort of the occupants and makes the homes more resilient to climate change.

The Healthy Colorado Initiative recognizes that the built environment near-term action plan provides useful concepts, such as energy benchmarking of large commercial buildings and utility programs to increase adoption of heat pumps. Similar to our comments on the transportation sector, the Healthy Colorado Initiative requests that the state provide additional specificity related to proposed actions. The Healthy Colorado Initiative recognizes the long lead time needed to implement policies in the buildings sector; we encourage the state to develop a proposed timeline for policy adoption and implementation. In particular, we suggest that the near-term action plan identify and recommend specific policy solutions to overcome current market hurdles to electrification of buildings.

The Healthy Colorado Initiative agrees with Rocky Mountain Institute’s [blog post](#) on the need to move swiftly on decarbonizing buildings to achieve the state’s climate goals. The Healthy Colorado Initiative has also identified some obstacles within the building industry to allow the necessary steps to decarbonization to be taken. We are currently working with the Aspen Institute to conduct a workshop in mid-November for builders, engineers, owners, business leaders and others to develop options and strategies to address the obstacles that currently limit a sufficiently fast transition to decarbonization in this sector. We will share the results of this workshop with the state and continue to support policies and programs needed to significantly and efficiently reduce greenhouse gas emissions in the building sector.

Implementing natural climate solutions on natural and working lands

The Healthy Colorado Initiative appreciates that the state recognizes the important role that natural and working lands play in addressing climate change in Colorado. The Nature Conservancy and the Colorado Forum are grateful for the opportunity to collaborate with the state’s Natural and Working Lands Task Force and The Nature Conservancy is pleased to partner with the state on a US Climate Alliance project.

The Healthy Colorado Initiative supports the state’s recommendation to update a greenhouse gas inventory of natural and working lands within the next one to three years, and we look forward to collaborating on this effort. Additionally, we recommend that this inventory be regularly updated at least every two to three years, as our landscape changes, emissions fluctuate, and science continues to emerge.

Further, the Healthy Colorado Initiative would like to emphasize the urgent need to pursue natural climate solutions in the near-term. Over time, our state will experience diminishing marginal returns for carbon storage from natural climate solutions as temperatures warm and precipitation patterns fluctuate. As Colorado explores various natural climate solution pathways, we will also need to weigh the need to adapt to climate impacts.

In light of this urgency, we encourage the state to consider how existing state grant programs can better align in the near-term with no-regrets natural climate solution strategies, such as reforestation and avoided conversion, as the science continues to be refined. Additionally, the Healthy Colorado Initiative notes the need to encourage natural climate solution pathways that align with current market opportunities to drive much-needed investment. In addition to these near-term recommendations, The Nature Conservancy expects to have more refined estimates of the carbon benefits associated with priority natural climate solution pathways in 2021-2022. These estimates are intended to inform the development of policies and priorities to accelerate natural climate solution implementation for mitigation and adaptation. Based on these estimates and an updated inventory for natural and working lands, we recommend that the state then adopt a goal related to natural and working lands and climate change.

Stakeholder engagement and equity

The Healthy Colorado Initiative appreciates that the state recognizes the disproportionate impacts climate change has on historically marginalized communities burdened by multiple environmental injustices. As the state evaluates various policy options in the near-term action plan, we recommend that the state also evaluate any potential adverse or unintended impacts that these policies may have on disproportionately impacted communities and propose ways to avoid or mitigate these impacts. We also encourage the state to consider designing policies in ways that would also benefit these communities wherever possible.

In addition, we look forward to engaging with the state’s Climate Equity Framework and we request that the state provide additional details regarding the timetable for development and how this framework will be used within the Air Quality Control Commission and other state agencies.

Conclusion

The Healthy Colorado Initiative would like to thank the state for the opportunity to put our thoughts forward regarding the draft GHG Pollution Reduction Roadmap and for the opportunity to collaborate with the state during the stakeholder engagement process.

As evidenced by the Roadmap analysis, Colorado continues to face an emissions gap. The state must swiftly adopt policies that are enforceable, verifiable, and equitable in order to meet our statutory goals. We recommend that the state also consider the complementary role that multi-sector or economy-wide policies and programs can play and recommend that the state conduct

additional economic analysis to better understand the cost and benefits of various emission reduction strategies.

The Healthy Colorado Initiative appreciates the state's leadership in developing a proposed near-term action plan and we look forward to learning additional details regarding these proposed policy actions. We look forward to working together in finalizing the Roadmap and implementing policies that will allow our state to meet our goals in a cost-effective manner that enhances climate equity and resilience.

Sincerely,

Gail Klapper, President
Colorado Forum



Carlos Fernandez, State Director
The Nature Conservancy in Colorado



Healthy Colorado Chairs

Bruce Alexander, President and CEO, Vectra Bank Colorado

George Sparks, President and CEO, Denver Museum of Nature and Science

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ⁱ Healthy Colorado Initiative response to Colorado Greenhouse Gas Pollution Reduction Roadmap release:

The Healthy Colorado Initiative, a multi-year partnership between the Colorado Forum and The Nature Conservancy in Colorado, responds to the recent release of the Colorado Greenhouse Gas Pollution Reduction Roadmap.

Quote from Gail Klapper, President, The Colorado Forum

“We welcome the release of Colorado’s climate roadmap. We were honored that the State has valued the input of the business and environmental communities through the Healthy Colorado Initiative on how to work toward economically feasible solutions. Leaders from across Colorado recognize the urgent need to address climate change and the impacts we are already experiencing to our state’s economy and public health. Colorado must have a plan in place to quickly make progress toward meeting our pollution reduction goals. We look forward to collaborating with the Governor, the Energy Office, the Department of Public Health and the Environment, and Colorado leaders to advance solutions to our climate challenge.”

Quote from Carlos Fernandez, Colorado State Director, The Nature Conservancy

“The climate crisis is impacting not only our natural resources, but the people and communities that make our state so special. The release of the climate roadmap is an important moment for our state and sets the framework for climate action going forward. Now, more than ever, we must work with the Governor, the state legislature and the people of Colorado to adopt policies aimed at achieving Colorado’s science-based climate goals in an equitable way.”