Summary of Legislation

2025



Energy & Natural Resources

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Colorado has a uniquely diverse landscape. From the plains of the eastern front to the western slopes of the Rocky Mountains, the state's energy profile includes coal and natural resources as well as renewable energy, such as wind, solar, and geothermal. Capitalizing on the diversity of resources and in response to increased energy demands, the General Assembly considered several measures related to energy and natural resources during the 2025 legislative session.

Clean Energy

In February 2024, Governor Polis released the <u>Greenhouse Gas Pollution Reduction</u>
Roadmap 2.0. Using 2005 emission levels as a baseline, the state has targets to reduce greenhouse gas emissions, which include reducing emissions by 26 percent by 2025, 50 percent by 2030, 65 percent by 2035, 75 percent by 2040, 90 percent by 2045, and net-zero by 2050.

In order to achieve these goals, the state has made multiple efforts to promote clean, renewable energy sources and usage as the demand for electricity is on the rise for electric vehicles and other sectors. <u>House Bill 25-1267</u> requires minimum standards for retail electric vehicle charging stations.

Nuclear Energy

Colorado's sole nuclear power plant, Fort St. Vrain, operated from 1979 until 1989. Currently it is used as a natural gas power plant and stores spent nuclear fuel in a repository.

Through <u>House Bill 25-1040</u>, the state now defines nuclear energy a "clean energy source", which allows nuclear energy projects to a qualify for clean energy project financing.

Infrastructure Improvements

The construction of buildings, roads, and other infrastructure is another significant impact on clean energy and emissions.

Selecting certain materials and installation methods lead to renewable energy improvements, more resilient infrastructure, and water efficiency.

The Industrial Clean Energy Tax Credit was created through House Bill 23-1272 to incentivize industrial emissions studies and implement greenhouse gas emissions reductions. Senate Bill 25-182 expands the tax credit to include "embodied carbon improvements," investments in producing asphalt and asphalt mixtures, cement and concrete mixtures, and steel that results in the reduction of the material's embodied emissions.

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House Bill 25-1269 establishes building performance standards and creates the Building Decarbonization Enterprise in the Colorado Energy Office to provide technical assistance, financing, and other programmatic support for building decarbonization measures. These measures include energy audits, consulting services, and energy use tracking software.

Shifting Industries

As Colorado prioritizes renewable energy sources, the General Assembly considered a handful of bills focusing on the shifting of various industries. Coal, mining, and petroleum have deep rooted history in Colorado, providing a robust workforce and economic development.

Coal

According to the <u>Colorado Department of Labor and Employment</u> (CDLE), over 1,700 coal mines have operated in Colorado over the last 160 years. With the rise in renewable energy, the use of coal has been significantly declining.

The Just Transition Office within CDLE funds programs investing in coal transition communities. Senate Bill 25-054 expands these investments to include communities without coal infrastructure but still directly impacted by coal closures. Additionally, the bill makes existing funding available for coal transition workforce assistance programs available through FY 2029-30.

Mining

Mining coal and a vast number of other minerals is a significant part of Colorado's history and economy. The <u>Division of Reclamation</u>, <u>Mining</u>, <u>and Safety</u> estimates there are over 23,000 abandoned mines across the state. Many contribute heavy metal and acid mine drainage into Colorado's watersheds.

Senate Bill 25-054 creates a new permit type in the Department of Natural Resources for the removal of mining waste and refuse and updates forfeiture and warranty procedures related to mining operations. Additionally, it enters Colorado into the Interstate Mining Compact and Commission. Participating states agree to establish an effective program for the conservation and use of mined lands, including the conduct of mining and handling of waste.

Petroleum

The U.S. Environmental Protection Agency uses the National Ambient Air Quality

Standards to identify areas of
"nonattainment" where standards are not being met. Areas along the Denver metro area and northern Front Range have been consistently classified as moderate to serious nonattainment areas.

When the U.S. Environmental Protection Agency requires the sale of reformulated gasoline in a nonattainment area in the state, Senate Bill 25-286 allows the Division of Oil and Public Safety in CDLE to impose a civil

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penalty up to \$5,000 per day for the retail distribution of reformulated gasoline that violates fuel quality standards.

Wildfire

Wildfires continue to be a major concern in Colorado as extreme weather events become more frequent and instances of severe wildfire activity increases.

Mitigation and home hardening are proactive efforts that are made to prevent the spread and damage of wildfire, have been emphasized as a way to reduce the severity of wildfire activity. House

Bill 25-1009 allows a fire protection district and certain metropolitan districts to establish a program requiring the removal of vegetative fuel on private property that can burn and contribute to a fire including leaves, grass, shrubs, ground litter, dead leaves, and fallen pine needles.

Wildfire Matters Review Committee

The <u>Wildfire Matters Review Committee</u> meets annually and is tasked with reviewing and proposing legislation or other policy changes related to wildfire prevention, mitigation, and related matters.

During the 2024 interim, the committee voted to introduce two bills which have become law. Senate Bill 25-007 created a new program and cash fund in the Department of Public Safety to pay damage claims related to prescribed burns. According to the Department of Fire Prevention and Control, prescribed fire is the planned use of

fire by fire experts to reduce the amount of excess vegetative fuel to encourage new growth of native vegetation and reduce the catastrophic damage of wildfire.

Another focus of the committee is emergency management in the instance of a natural disaster. <u>House Bill 25-1053</u> grants immunity from civil liability to landowners who allow access to their property during an emergency.