

STATE OF COLORADO

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John W. Hickenlooper
Governor

D 2017-015

EXECUTIVE ORDER

Supporting Colorado's Clean Energy Transition

Pursuant to the authority vested in the Governor of the State of Colorado and, in particular, pursuant to Article IV, Section 2 of the Colorado Constitution, I, John W. Hickenlooper, Governor of the State of Colorado hereby issue this Executive Order in support of Colorado's transition to cleaner energy resources.

I. Background, Need and Purpose

As a state, we recognize that clean air is essential to a strong Colorado. Clean air enhances the wondrous Eastern Plains and the great Colorado Rockies, and the basins and mesas beyond. It is essential to our brand, our identity. It helps attract the entrepreneurs, global companies and talented workforce that drive our resurgent economy. Clean air facilitates a healthy and productive citizenry, bolsters our outdoor recreational activities, and helps diversify our economy.

Colorado has a long history of taking steps to improve our air. From the debates in the 1970s and 1980s about how best to address our "brown cloud," to passage of the nation's first voter-passed renewable energy standard in 2004, to issuing the nation's first methane regulations for the oil and gas production sector, we do not shrink from challenges. Most importantly, we have accomplished this progress while preserving reliable, low-cost electric service for consumers and recognizing the role fossil fuel industries play in our economy. Coloradans' total average monthly energy costs remain one of the lowest in the nation. Keeping energy costs competitive and affordable is a key component of a strong and healthy economy.

Colorado has a robust clean energy sector that drives economic diversification throughout the state. From 2009 to 2014, employment in Colorado clean technology industries grew by 29.1 percent -- more than 14 percent greater than the national average. Colorado's 62,000 clean energy jobs are dispersed throughout all Colorado counties. The clean energy sector is one of the strongest economic engines on the Front Range. Clean tech was the fastest growing industry in Northern Colorado and Denver in 2015. In Colorado's rural communities, the clean energy sector is building the tax base and creating well-paying jobs that cannot be automated or shipped overseas. We rank

first in the nation for wind manufacturing jobs and among the top three states for wind-related employment. Furthermore, Colorado is home to nearly 30 federal labs and research institutions that attract some of the most innovative research conducted globally, contributing an estimated \$2.6 billion to Colorado's economy annually and returning \$5 for every \$1 invested.

The average price of wind energy declined nationwide by more than 50% from 2009 to 2014, while average solar energy prices declined more than 78% over the same period. Natural gas prices are at historic lows. One current Colorado wind project, our largest ever, will employ 350 people in its construction and is expected to save ratepayers \$400 million over its lifetime.

These savings are due not only to the technological innovation that has driven down prices but also to the availability of bipartisan federal tax credits for wind and solar. Those tax credits, which are being phased out over a three year period ending in 2019, can provide significant savings to ratepayers. Now is the time to accelerate the transition to a clean energy economy while maintaining Colorado's position as one of the lowest energy cost states in the nation.

Therefore, I, John W. Hickenlooper, Governor of the State of Colorado direct the following:

II. Declaration and Directives

- A. I hereby declare that it shall be the goal of the State of Colorado to achieve the following:
 1. Reduce greenhouse gas emissions statewide by more than 26% by 2025, as compared to 2005 levels.
 2. A 25 percent reduction in carbon dioxide emissions from the electricity sector by 2025, as compared to 2012 levels.
 3. A 35 percent reduction in carbon dioxide emissions from the electricity sector by 2030, as compared to 2012 levels.
 4. Achieve electricity savings of 2% of total electricity sales per year by 2020 through cost-effective energy efficiency.
- B. Appropriate state agencies shall work strategically with any interested electric utilities or cooperatives that, on a voluntary basis, would like to maximize its use of renewable energy, while maintaining reliability and without increasing costs to customers.
- C. The Colorado Energy Office, the Regional Air Quality Council, and the Colorado Department of Public Health and the Environment are directed to develop, in coordination with other state agencies and in alignment with the Volkswagen Mitigation Trust, a statewide Electric Vehicle plan by January 1, 2018 to build out key charging corridors that will facilitate economic development and boost tourism across the state while reducing harmful air pollution.
- D. In order to preserve the ongoing efforts to track greenhouse gas emissions as currently required under federal law the Colorado Department of Public Health and Environment shall develop a state greenhouse gas emissions reporting rule that mirrors the current federal

reporting rule, and propose that rule to the Colorado Air Quality Control Commission for adoption into the Colorado Code of Regulations by December 30, 2018.

- E. Through meaningful consultation and collaboration with local governments, appropriate state agencies shall identify opportunities to partner with local governments to support locally-led climate goals and resilience solutions.
- F. The Colorado Office of Economic Development and International Trade, Colorado Department of Local Affairs, and the Colorado Department of Labor and Employment shall formalize and expand upon cross-agency efforts to provide economic development strategies and other supportive services to communities impacted by our nation's changing energy landscape by preparing a written annual update to the Governor documenting their efforts and accomplishments, the first of which shall be due January 1, 2018.
- G. The Colorado Department of Natural Resources is directed to amend the Colorado Climate Plan by October 1, 2017 to incorporate the goals detailed in subsection A, above, and to solicit stakeholder input regarding additional measures or strategies to advance these goals.

III. Duration

This Executive Order shall remain in effect until modified or rescinded by future Executive Order of the Governor.



GIVEN under my hand and the
Executive Seal of the State of
Colorado this 11th day of
July, 2017.


John W. Hickenlooper
Governor