



## **B 2021 01**

### **EXECUTIVE ORDER**

#### **Ordering alignment with Colorado's sector-specific climate approach**

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, Jared Polis, Governor of the State of Colorado, issue this Executive Order ordering alignment with Colorado's sector-specific climate approach.

#### **I. Background and Purpose**

In 2019, the Colorado General Assembly passed House Bill (HB) 2019-1261, the Climate Action Plan to Reduce Pollution (Climate Action Plan), which includes science-based targets to make progress towards reducing Statewide greenhouse gas (GHG) pollution 26% by 2025, 50% by 2030, and 90% by 2050 from 2005 levels. Over the past two and half years, my administration has partnered with the General Assembly, local governments, private sector, and a wide variety of other stakeholders to advance one of the boldest and most comprehensive climate agendas in the nation. Since 2019, my administration has (1) secured commitments from the State's major utilities that emissions from 99% of the State's electricity generation will be reduced by at least 80% by 2030, (2) adopted Zero Emission Vehicle standards, (3) implemented historic oil and gas reform legislation, (4) released the nation's first just transition plan, and (5) adopted rules to phase out GHG super-pollutants (also known as HFCs).

In 2019, I also directed State agencies to develop the Greenhouse Gas Pollution Reduction Roadmap (Roadmap) to ensure that Colorado continues to make progress toward the emission targets outlined in HB 2019-1261. After an 18-month long process of robust stakeholder outreach and analysis, the final Roadmap was released on January 14, 2021. The Roadmap outlines an all of government approach that articulates the actions needed from the General Assembly and the executive branch in 2021 and 2022 to meet GHG targets. To meet these targets, the Roadmap supports a broad suite of regulations, rulemakings, investments, and public private partnerships. The Roadmap's near-term actions include significant legislative priorities as well as multiple rulemakings covering emissions from transportation, oil and gas, and industrial operations. In the Roadmap, we acknowledge that we must also ensure affordability, equity, just transition for affected workers, high quality job growth, and energy system reliability as we pursue our climate goals.

Some states are approaching the climate challenge with a singular state rule that is akin to an economy-wide cap-and-trade program. While this approach, depending on the details, may have merit at the federal or international level, it is not an appropriate policy for Colorado. As

outlined throughout the Roadmap, my administration has identified a variety of opportunities to achieve near-term, lasting emissions reductions through sector-based policies, including standards, investment, innovation, and partnerships with key industries, local governments, and other stakeholders.

Every 2021 legislative priority outlined in the Roadmap was passed by the General Assembly, including a historic investment in electric vehicle infrastructure (Senate Bill (SB) 2021-260), significant new requirements and funding to address pollution reduction in infrastructure project planning (SB 2021-260), five bills that reduce emissions and spur clean energy investment in buildings (SB 2021-264, SB 2021-246, HB 2021-1238, HB 2021-1286, SB 2021-230), the creation of the Agricultural Drought & Climate Resilience Office at the Department of Agriculture (HB 2021-1242), and up to \$40 million for active and emerging clean energy finance programs (SB 2021-230) in addition to other State stimulus investments. This year, the General Assembly also passed HB 2021-1266, which takes additional steps to implement key emissions targets and objectives outlined in the Roadmap and ensures that environmental justice and equity are considered in our State's investments, policies, and public engagement efforts.

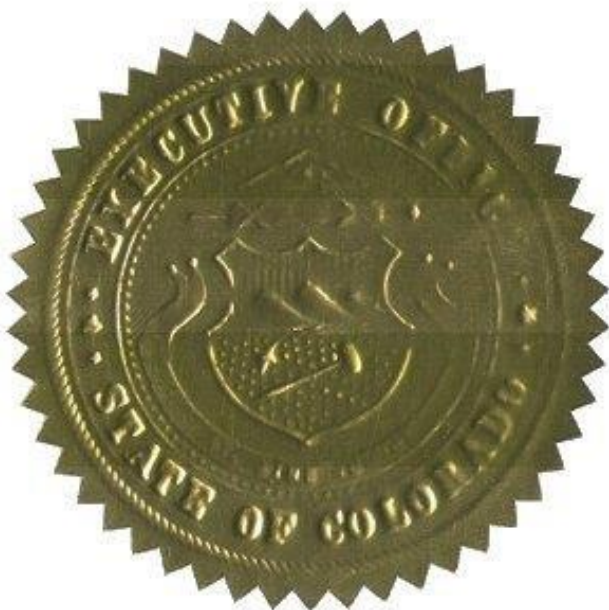
HB 2021-1266 supports the progress that my administration has made to memorialize the Roadmap's emissions targets for the industrial, oil and gas, and electricity sectors and is consistent with our State's policy and approach. HB 2021-1266 does not represent a change in philosophy nor does it allow for an economy-wide cap-and-trade or cap-and-invest program. Nothing in these laws authorize the AQCC to pursue an economy-wide cap-and-trade or cap-and-invest program. My administration will not support any economy-wide cap-and-trade programs before the AQCC, and we will continue to oppose any such proposed rules brought by other parties. See [Letter from Governor Polis to AQCC](#) dated February 11, 2021.

Combined with this year's other nationally leading legislative accomplishments, HB 2021-1266 advances the sector-specific approach to emission reduction that my administration has championed since 2019 and will continue to advance.

## **II. Directives**

- A. The Executive Directors of the Colorado Energy Office, Colorado Department of Public Health and Environment, Department of Natural Resources, Colorado Department of Agriculture, and Colorado Department of Transportation (State Agencies) shall submit a bi-annual report to the Governor that outlines opportunities that the State Agencies may pursue to further the new policies enacted in the 2021 legislative session to accelerate our State's progress towards the Roadmap's GHG targets.
- B. State Agencies shall ensure their policies are aligned with the Roadmap and support Colorado's all of government and sector-specific climate approach to reducing emissions in a cost effective and equitable manner, and State Agencies shall engage with federal agencies to advocate for federal policy that aligns with and supports Colorado's climate approach.

- C. State Agencies shall focus on executing existing policies laid out in the Roadmap and State law. State Agencies and employees shall not work on any State-based, economy-wide cap-and-trade programs as such programs have been neither developed nor authorized under Colorado law and are contrary to the position of my administration.



GIVEN under my hand and  
the Executive Seal of the  
State of Colorado, this  
second day of July, 2021.

A handwritten signature in blue ink that reads "Jared Polis".

Jared Polis  
Governor