



April 22, 2020

Mr. Josh Korth
Air Pollution Control Division
Colorado Department of Public Health and Environment (CDPHE)
4300 Cherry Creek Drive South
Denver, CO 80246-1530

RE: Comments of Center for Resource Solutions (CRS) on the April 17, 2020 Clean Energy Plan (CEP) Workgroup Call and CEP Guidance Discussion Outline

Dear Josh,

Thank you for considering our feedback. These questions and comments may not be related to the outline so much as the content of the document. But we think they are worth bringing up at this point. Mostly they boil down to clarifying the relationship between the CEPs and reporting for the economy-wide goal under HB19-1261 and per proposed Regulation No. 22.

1. There is still a question about what is being accounted for. Specifically, for CEPs, are we measuring emissions associated with total sales or retail sales? This will determine whether the calculation methodologies listed are appropriate.

SB19-236 Sec. 5(3)(a)(I) says “emissions associated with electricity sales to the qualifying retail utility’s electricity customers,” which sounds to me like emissions associated with retail sales, but others may have a different understanding, and to the extent that this is different from the language in HB19-1261: “Retail Electricity Sales”). Still, Sec. 5(4)(c) says, “emissions from the qualifying retail utility’s Colorado electricity sales,” and Sec. 5(5)(g)(I)(A) says, “emissions caused by the entity’s Colorado electricity sales.”

If we are talking about the emissions associated with retail sales or electricity delivered to customers, we do not believe any of the greenhouse gas (GHG) accounting protocols/methodologies listed in the outline are intended to be used for that, except for The Climate Registry’s (TCR’s) Electric Power Sector (EPS) Protocol, which *can* be used for that but it is also sector-specific guidance for electricity generators and providers to calculate their own emissions. In this case, we are *not* talking about a methodology for reporting a utility’s own emissions or “footprint” (Scopes 1, 2, and 3), though this

information could be used to develop a delivered emissions total. It was not clear that that was what Xcel representatives were talking about on the 4/17 workgroup call. So, this combined workgroup needs clarification on whether we are measuring a utility's own emissions or the emissions associated with retail sales.

2. These calculation methodologies listed may not be appropriate for emissions projections.

On the 4/17 call, Xcel representatives said that the methodology is the same for historical and projected emissions. This should be verified. For example, it is not clear whether TCR is set up to accept projected data.

3. More detail should be provided for the calculation methodologies.

For example, utility specific emissions factors, defined in the TCR EPS protocol, are optional, and under this option, the utility has to calculate (not estimate) line losses. You should specify what options must be selected under different protocols depending on what you want to be included. Given more clarity on what you are trying to measure, CRS and TCR can provide more detail on the methodologies and the appropriate ways utilities should use them.

Perhaps you are using shorthand for the draft outline, but in the actual document the methodology names should be more specific. For example, "The Climate Registry" should be the "The Climate Registry's Electric Power Sector (EPS) Protocol." And "World Resources Institute" should be the "The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard" which is actually a joint initiative of the World Resources Institute and the World Business Council for Sustainable Development.

4. Since CDPHE is not developing a standardized GHG methodology for CEPs or identifying a single existing GHG protocol, there will be some inconsistency in reporting. The degree or type of inconsistency may or may not be a problem, depending on your objectives and how these calculations of retail GHG emissions (or utility footprints, depending on which it is) fit into or are used in statewide GHG reporting under Regulation No. 22 (HB19-1261 and SB19-096). Clarity on that will help determine overarching requirements that CDPHE needs to set, if it is allowing for different methodologies to be used.
5. How will the REC retirement requirement (SB19-236 Sec. 5(3)(a)(III)) be verified? And will CDPHE verify renewable energy certificate (REC) retirements as a part of verifying baseline calculations in CEPs at the time of CDPHE's CEP evaluation?

Again, perhaps this level of detail just didn't make it into the outline, but this should be explained in the document (I'm assuming as a part of the third bullet under Section 3 of the outline).

6. Regarding the proposal to move Section 6 on ongoing reporting, including "REC Creation and Retirement," to the Regulation No. 22 Supplemental Data Form:
 - a. Please clarify how this activity relates to the Verification of Baseline and Projected Emissions under the third bullet of Section 3; and
 - b. How will ongoing reporting/historical verification for CEPs happen under Regulation No. 22, considering that the scope of emissions is different for statutes HB19-1261 and SB19-096? Will ongoing reporting for CEPs happen separately, as a separate process, under Regulation No. 22? Otherwise, how do retail GHG calculations (reductions in emissions associated with retail sales, if that's what's being measured) fit in or will be used for statewide GHG calculations?

Please let me know if we can provide any further information or answer any other questions.

Sincerely,

_____/s/____

Todd Jones

Director, Policy