STATE OF COLORADO

OFFICE OF THE GOVERNOR

136 State Capitol Building
Denver, Colorado 80203
Phone (303) 866 - 2471
Fax (303) 866 - 2003

John W. Hickenlooper
Governor

B 2013-004

EXECUTIVE ORDER

Creating an Advisory Committee to the Director of the Colorado Energy Office on the Effectiveness of SB13-252, the Increase of Colorado's Renewable Energy Standard so as to Encourage the Deployment of Methane Capture Technologies

Pursuant to the authority vested in the Office of 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 creating the Governor's Advisory Committee to the Director of the Colorado Energy Office on the Effectiveness of SB13-252, the Increase of Colorado's Renewable Energy Standard so as to Encourage the Deployment of Methane Capture Technologies.

I. Background and Purpose

Colorado's energy policy is based on seven priorities, outlined in C.R.S. 24-38.5-101:

a. Sustain the Colorado energy economy and promote all Colorado energy;
b. Promote economic development in Colorado through energy-market advances that create jobs;
c. Encourage Colorado-based clean and innovative energy solutions that include traditional, clean, and renewable energy sources in order to encourage a cleaner and balanced energy portfolio;
d. Promote energy efficiency;
e. Increase energy security;
f. Lower long-term consumer costs; and
g. Protect the environment.

During the 2013 legislative session, the Colorado General Assembly passed SB13-252, which increases a portion of Colorado's Renewable Energy Standard and adds new eligible resources. This broad legislation aims to achieve multiple aspects of Colorado's energy priorities including promoting economic development and energy-market advances, encouraging Colorado-based clean and innovative energy solutions, increasing energy security, and protecting the environment.

Included in the legislation are protections for consumers against excessive rate increases as a result of utility compliance. Yet, consumers have expressed concerns that the legislative language is ambiguous and does not offer sufficient protection against such increases. Lowering long-term consumer costs is a priority for Colorado energy policy, and the concerns of impacted consumers must be addressed.

After careful consideration, I signed SB13-252 into law on June 5, 2013. This legislation will expand economic opportunities across Colorado through the development of wind, solar, and other innovative energy resources. Rural areas, in particular, will benefit economically from the expansion of renewable resources because the vast majority of renewable resources are located outside of the State's urban centers. For example, this bill will expand construction and manufacturing opportunities in rural areas through large wind and solar projects and will create jobs in the newly eligible waste-to-energy and coal mine methane industries. The legislation is necessary to continue to diversify electric generation and reap the associated rate, economic, and environmental benefits. SB13-252 will also allow developers to take advantage of historically low prices of renewable energy available this year.

The reasons for signing the legislation outweigh the reasons for vetoing the bill, but this bill is imperfect. Some of the concerns raised during the legislative process were not given due consideration. Top among these concerns are the feasibility of the implementation timetable and consumer protections. The advisory committee will work to fully address these concerns, culminating in proposals for the 2014 legislative session.

II. Declaration and Directives

The SB13-252 Advisory Committee is hereby created to advise the Director of the Colorado Energy Office on the effectiveness of SB13-252. The advisory committee will work to address the cost and feasibility concerns of the companies impacted by this legislation.

III. Membership and Organization

A. For the purposes of advising the Director of the Colorado Energy Office on all matters pertaining to the effectiveness and improvement of SB13-252, there is hereby created in the Office an advisory committee to the Director, to be known as the SB13-252 Advisory Committee and referred to herein as the "advisory committee."

B. The advisory committee shall consist of eight principal members, six of which shall be appointed by the Director from individuals designated by and representing each of the following organizations or subject-matter areas:

1. Tri State Generation and Transmission Association;
2. Intermountain Rural Electric Association;
3. Colorado Rural Electric Association;
4. A representative of the renewable energy industry;
5. A representative of the nonprofit environmental advocacy community; and
6. A representative of a nonprofit organization proficient in electric resource planning.

C. Each of the six principal organizations or subject-matter areas may also designate an alternate member to represent the organization in meetings of the advisory committee; who shall be a non-voting member, except in the absence of the principal, voting member.

D. There shall also be two principal member positions that shall be non-designated for future appointment by the Director from stakeholder groups or organizations that have yet to be identified.

E. The advisory committee shall also consist of the following non-voting members:

1. The Attorney General, or their designee; and
2. The Chair of the Public Utilities Commission, or their designee.

F. The advisory committee has the following duties relating to the effectiveness and improvement of SB13-252:

1. To advise the Director on the feasibility of achieving the twenty percent

renewable energy standard by the year 2020, as required by SB13-252;

2. To advise the Director on administrative and legal considerations related to the two percent consumer rate cap and the impact the rate cap will have on the ability for impacted utilities to comply with the twenty percent renewable energy standard; and
3. To advise the Director on related legislation for the 2014 session.

G. The advisory committee shall meet as determined necessary by the Director.

H. The members of the advisory committee shall receive no compensation nor shall they be reimbursed for travel or other expenses incurred in the performance of their duties.

III. Duration

This Executive Order shall remain in force until modified or rescinded by a subsequent Executive Order.

GIVEN under my hand and the Executive Seal of the State of Colorado this fifth day of June, 2013.

John W. Hickenlooper
Governor