

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Energy & Environment.

HB22-1140 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 40-2-138 as
4 follows:

5 **40-2-138. Green hydrogen - commission verification of use of**
6 **renewable energy resource - retirement of credits - consideration as**
7 **a clean energy resource - definitions - rules.** (1) AS USED IN THIS
8 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 (a) "CLEAN ENERGY PLAN" HAS THE MEANING SET FORTH IN
10 SECTION 40-2-125.5 (2)(a).

11 (b) "CLEAN ENERGY RESOURCE" HAS THE MEANING SET FORTH IN
12 SECTION 40-2-125.5 (2)(b).

13 (c) "GREEN HYDROGEN" MEANS HYDROGEN THAT:

14 (I) IS DERIVED ENTIRELY FROM A RENEWABLE ENERGY RESOURCE,
15 AS VERIFIED BY THE COMMISSION;

16 (II) GENERATES ZERO CARBON EMISSIONS DURING PRODUCTION;
17 AND

18 (III) USES WATER AS THE SOURCE OF HYDROGEN.

19 (d) "RENEWABLE ENERGY RESOURCE" HAS THE MEANING SET
20 FORTH IN SECTION 40-2-124 (1)(a)(VII).

21 (2) THE COMMISSION MAY VERIFY THAT A USE OF HYDROGEN
22 DERIVES ENTIRELY FROM A RENEWABLE ENERGY RESOURCE IF IT IS
23 CREATED THROUGH ONE OF THE FOLLOWING:

24 (a) HYDROGEN GENERATED THROUGH COLOCATION WITH ON-SITE
25 RENEWABLE ENERGY GENERATION THAT:

26 (I) IS AT LEAST EQUIVALENT TO THE ELECTRICITY CONSUMED BY
27 THE ELECTROLYZER; AND

28 (II) DEMONSTRATES THE CREATION OF ADDITIONAL RENEWABLE
29 ENERGY PURSUANT TO SUBSECTION (4) OF THIS SECTION TO MEET THE
30 ELECTRICITY DEMAND FOR GREEN HYDROGEN PRODUCTION;

31 (b) HYDROGEN GENERATED THROUGH A POWER PURCHASE
32 AGREEMENT OR OTHER CONTRACTING ARRANGEMENT THROUGH WHICH
33 RENEWABLE ENERGY GENERATION IS OWNED BY A PUBLIC UTILITY OR
34 THIRD PARTY AND THAT:

35 (I) IS AT LEAST EQUIVALENT TO THE ELECTRICITY CONSUMED BY
36 THE ELECTROLYZER AND IS WITHIN THE SAME BALANCING AUTHORITY;
37 AND

38 (II) DEMONSTRATES THE CREATION OF ADDITIONAL RENEWABLE
39 CAPACITY TO MEET THE ELECTRICITY DEMAND FOR GREEN HYDROGEN
40 PRODUCTION; OR

1 (c) HYDROGEN GENERATED FOR A PUBLIC UTILITY THAT HAS AN
2 APPROVED CLEAN ENERGY PLAN OR HAS FILED A CLEAN ENERGY PLAN
3 WITH THE COMMISSION AND FOR WHICH THE RETIREMENT OF RENEWABLE
4 ENERGY CREDITS ASSOCIATED WITH THE RENEWABLE ENERGY RESOURCE
5 OWNED BY THE UTILITY IS USED TO CREATE ADDITIONAL RENEWABLE
6 ENERGY PURSUANT TO SUBSECTION (4) OF THIS SECTION.

7 (3) ANY RENEWABLE ENERGY CREDITS ASSOCIATED WITH THE
8 RENEWABLE ENERGY RESOURCE USED TO CREATE GREEN HYDROGEN
9 SHOULD BE RETIRED SUBSEQUENT TO THE PRODUCTION OF THE HYDROGEN
10 USING RENEWABLE ENERGY CREDITS GENERATED IN THE YEAR IN WHICH
11 THE HYDROGEN WAS PRODUCED.

12 (4) GREEN HYDROGEN MAY BE CONSIDERED A CLEAN ENERGY
13 RESOURCE BASED ON REQUIREMENTS DETERMINED BY THE COMMISSION IN
14 CONSULTATION WITH THE AIR QUALITY CONTROL COMMISSION IF THE
15 REQUIREMENTS PREVENT DOUBLE COUNTING OF GREENHOUSE GAS
16 EMISSION REDUCTIONS OR RENEWABLE ENERGY CREDITS ASSOCIATED
17 WITH THE GREEN HYDROGEN AND IF THE GREEN HYDROGEN COMPLIES
18 WITH ANY OTHER EMISSIONS REQUIREMENTS THAT THE COMMISSION, IN
19 CONJUNCTION WITH THE AIR QUALITY CONTROL COMMISSION,
20 ESTABLISHES BY RULE.

21 **SECTION 2.** In Colorado Revised Statutes, 40-2-125.5, **add**
22 (2)(b.3), (2)(b.4), and (8) as follows:

23 **40-2-125.5. Carbon dioxide emission reductions - goal to**
24 **eliminate by 2050 - legislative declaration - interim targets -**
25 **submission and approval of plans - green hydrogen - definitions - cost**
26 **recovery - reports - rules. (2) Definitions.** As used in this section,
27 unless the context otherwise requires:

28 (b.3) "GREEN HYDROGEN" HAS THE MEANING SET FORTH IN
29 SECTION 40-2-138 (1)(c).

30 (b.4) "GREEN HYDROGEN POLLUTION REDUCTION ROADMAP" OR
31 "ROADMAP" MEANS THE "COLORADO GREENHOUSE GAS POLLUTION
32 REDUCTION ROADMAP" PUBLISHED BY THE COLORADO ENERGY OFFICE
33 AND DATED JANUARY 14, 2021, OR AS AMENDED THEREAFTER.

34 (8) (a) THE COLORADO ENERGY OFFICE CREATED IN SECTION
35 24-38.5-101 SHALL UPDATE THE GREENHOUSE GAS POLLUTION REDUCTION
36 ROADMAP TO EXPRESSLY INCLUDE GREEN HYDROGEN AS A CLEAN ENERGY
37 RESOURCE THAT A QUALIFYING RETAIL UTILITY MAY USE TO ACHIEVE THE
38 ELECTRIC UTILITY SECTOR GREENHOUSE GAS POLLUTION REDUCTION
39 GOALS SET FORTH IN THE ROADMAP.

40 (b) THE ANALYSIS INCLUDED IN THE ROADMAP REGARDING THE
41 POTENTIAL USE OF GREEN HYDROGEN AS A CLEAN ENERGY RESOURCE
42 MUST CONSIDER WATER USE AND EVALUATE THE ROLE OF GREEN
43 HYDROGEN IN THE TRANSPORT AND BUILDING SECTORS.

44 **SECTION 3. Act subject to petition - effective date.** This act
45 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly; except
2 that, if a referendum petition is filed pursuant to section 1 (3) of article V
3 of the state constitution against this act or an item, section, or part of this
4 act within such period, then the act, item, section, or part will not take
5 effect unless approved by the people at the general election to be held in
6 November 2022 and, in such case, will take effect on the date of the
7 official declaration of the vote thereon by the governor."

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