



COLORADO
Energy Office

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Public Utilities Commission Adopts Planning Rules for Gas Utilities

These comprehensive planning rules for gas utilities provide oversight of utility expenses and help reduce greenhouse gas emissions

DENVER - Wednesday, Dec. 7, 2022 - In a [decision](#) that marks another key step in delivering on the state's Greenhouse Gas Pollution Reduction Roadmap, the Colorado Public Utilities Commission (PUC) adopted comprehensive planning rules for regulated gas utilities that continue Colorado's leadership in the growth of clean energy.

"Today's decision requiring comprehensive planning from regulated gas utilities will not only help reduce greenhouse gas emissions; it will also protect consumers by requiring rigorous examination of utilities' large capital investments in the gas system and ensuring that existing ratepayers do not subsidize expansion of the gas system to serve new development," said Will Toor, Executive Director of the Colorado Energy Office.

The rulemaking process, required under [Senate Bill 21-264](#), began on October 1, 2021. During a 14-month public process, the Commission held six community meetings across the state and seven days of public comment hearings, receiving over 300 public comments. After this process, the Public Utilities Commission adopted rules requiring gas utility companies to file Gas Infrastructure Plans and Clean Heat Plans that, together, will help gas utility businesses achieve substantial reductions in statewide greenhouse gas (GHG) emissions.

As a result of these rules, gas utilities must now provide the Commission with information and data about the kinds of investments they want to make and the cost of those investments before spending money on projects. As the gas industry works to reduce GHG emissions, this will allow the Commission to evaluate the need for projects up-front and ensure appropriate oversight of near-term and long-term investments in gas system infrastructure. Additionally, the rules require that the cost

of gas system expansion to serve new development must be entirely covered by that new development, rather than partially subsidized by existing ratepayers.

The PUC's decision also established the rules governing clean heat plan filings by utilities, which require utilities to develop cost effective plans to achieve GHG pollution reductions of 4% by 2025 and 22% by 2030.

As part of its public comment hearing process, the Commissions held hearings on labor issues, including best value employment metrics, the use of Colorado-based labor and out-of-state labor, competitive solicitation provisions, and labor standards for demand side management programs. The final rules adopted by the PUC address these issues.

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