



SB25-137

SHORT TITLE: Greenhouse Gas Credits for Water Quality Projects

LONG TITLE: Concerning greenhouse gas credit trading program eligibility for water quality green infrastructure projects that create greenhouse gas credits

SPONSORS: Senator Simpson

COMMITTEES: Senate Transportation & Energy

PURPOSE OF THE BILL: To allow the owner or operator of a green infrastructure water quality program to sell or trade any GHG credits created by the project in a trading program established by the Air Quality Control Commission

PROPOSERS OF THE BILL: Unclear currently

POTENTIAL STAKEHOLDERS: Water Treatment facilities; conservation organizations; water providers; water users

BACKGROUND: This bill follows on to SB 24-037 which created a study to explore the feasibility of “green infrastructure for water quality treatment which means interconnected networks of green spaces for water quality management solutions that are an alternative to traditional gray infrastructure, which refers to centralized water quality treatment facilities, and the use of green financing mechanisms for water quality management. That bill authorized up to three pilot projects to demonstrate the technology and alternative financing.

Is this bill necessary this year? There is no deadline

How does the bill change current law? SB 25-137 takes the next step to declare that any GHG credits created by the project can be sold or traded, thus providing revenue to continue the project.

Does the bill affect the prior appropriations system? Probably not, what will be the impact of additional exposed water on surrounding landscape and streams?

How is the bill implemented? The AQCC must have a trading program in place which includes credits from green water quality infrastructure. The owner or operator of the project must engage and pay for a third-party auditor to audit and certify the credits. The AQCC must adopt regulations that authorize the sale, purchase, and trading of credits from the green water quality infrastructure.

Practical considerations: How long will it take for the necessary regulations to be developed? What will the GJG trading market look like by the time a project is up and running?

Fiscal Impact: There is not yet a fiscal note available