

SENATE FLOOR AMENDMENT

Second Reading

BY SENATOR Ball

1 Amend reengrossed bill, page 4, after line 9 insert:

2 "SECTION 3. In Colorado Revised Statutes, 33-61-102, **amend**
3 (6) as follows:

4 **33-61-102. Definitions.**

5 As used in this article 61, unless the context otherwise requires:

6 (6) "Gas spot price" means the Henry Hub natural gas spot price
7 as reported by the United States energy information administration or a
8 ~~successor~~ ANOTHER price index selected by the commission PURSUANT TO
9 SECTION 33-61-103 (1)(a.5).

10 **SECTION 4.** In Colorado Revised Statutes, 33-61-103, **amend**
11 (1)(b)(I) introductory portion and (1)(b)(II); and **add** (1)(a.5) as follows:

12 **33-61-103. Fee for oil and gas production - remediation of**
13 **harm to wildlife and land - cash fund.**

14 (1)(a.5) NO LATER THAN ONE WEEK AFTER OCTOBER 1, 2026, AND
15 NO LATER THAN ONE WEEK AFTER THE FIRST DAY OF EACH CALENDAR
16 QUARTER THEREAFTER, THE COMMISSION SHALL DETERMINE WHICH
17 NATURAL GAS INDEX TO USE TO CALCULATE THE AVERAGE GAS SPOT PRICE
18 FOR THE PREVIOUS CALENDAR QUARTER PURSUANT TO SUBSECTION (1)(b)
19 OF THIS SECTION. IN DETERMINING WHICH NATURAL GAS INDEX TO USE,
20 THE COMMISSION SHALL CONSIDER REGIONAL DYNAMICS IN THE NATURAL
21 GAS MARKET THAT AFFECT THE SPOT PRICES THAT NATURAL GAS
22 OPERATORS MAY RECEIVE FOR THEIR NATURAL GAS COMPARED TO THE
23 GAS SPOT PRICE.

24 (b) (I) No later than ~~one week~~ TWO WEEKS after October 1, 2025,
25 and no later than ~~one week~~ TWO WEEKS after the first day of each calendar
26 quarter thereafter, the commission shall calculate, including performing
27 any necessary measurement unit conversions to calculate, the average oil
28 spot price and the average gas spot price for the previous calendar quarter
29 and publish the average oil spot price and the average gas spot price on
30 the commission's website. The commission shall routinely provide written
31 guidance to the division on factors relevant to the production fee
32 amounts, including guidance on the current condition of the oil and gas
33 market and the market's sensitivity to higher or lower production fee
34 amounts. In preparing the written guidance, the commission shall:

35 (II) No later than ~~one month~~ THREE WEEKS after the commission
36 publishes the average oil spot price and the average gas spot price for the
37 previous calendar quarter on the commission's website pursuant to
38 subsection (1)(b)(I) of this section, the division shall set the production
39 fee amounts applicable to the previous calendar quarter, notify the

1 executive director of the production fee amounts set, and publish the
2 production fee amounts on the division's website. Prior to adopting the
3 production fee amounts, the division shall consult with the commission
4 on the appropriate production fee amounts for the previous quarter and
5 take into account the maximum amounts described in section 33-61-102
6 (12) and other relevant factors."

7 Renumber succeeding sections accordingly.

8 Page 11, after line 6, insert:

9 **"SECTION 15.** In Colorado Revised Statutes, 43-4-1202, **amend**
10 (9.7) as follows:

11 **43-4-1202. Definitions.**

12 As used in this part 12, unless the context otherwise requires:

13 (9.7) "Gas spot price" means the Henry Hub natural gas spot price
14 as reported by the United States energy information administration or a
15 ~~successor~~ ANOTHER price index selected by the energy and carbon
16 management commission created in section 34-60-104.3 AND PURSUANT
17 TO SECTION 43-4-1204 (1)(a.5).

18 **SECTION 16.** In Colorado Revised Statutes, 43-4-1204, **amend**
19 (1)(b)(I) introductory portion and (1)(b)(II); and **add** (1)(a.5) as follows:

20 **43-4-1204. Production fee for clean transit imposed by the**
21 **enterprise - local transit operations program - local transit grant**
22 **program - rail funding program - cash funds - report.**

23 (1) (a.5) NO LATER THAN ONE WEEK AFTER OCTOBER 1, 2026, AND
24 NO LATER THAN ONE WEEK AFTER THE FIRST DAY OF EACH CALENDAR
25 QUARTER THEREAFTER, THE ENERGY AND CARBON MANAGEMENT
26 COMMISSION CREATED IN SECTION 34-60-104.3 (1) SHALL DETERMINE
27 WHICH NATURAL GAS INDEX TO USE PURSUANT TO SECTION 33-61-102 (6).
28 IN DETERMINING WHICH NATURAL GAS INDEX TO USE, THE ENERGY AND
29 CARBON MANAGEMENT COMMISSION SHALL CONSIDER REGIONAL
30 DYNAMICS IN THE NATURAL GAS MARKET THAT AFFECT THE SPOT PRICES
31 THAT NATURAL GAS OPERATORS MAY RECEIVE FOR THEIR NATURAL GAS
32 COMPARED TO THE GAS SPOT PRICE.

33 (b) (I) No later than ~~one week~~ TWO WEEKS after October 1, 2025,
34 and no later than ~~one week~~ TWO WEEKS after the first day of each calendar
35 quarter thereafter, the energy and carbon management commission,
36 created in section 34-60-104.3 (1), shall calculate, including performing
37 any necessary measurement unit conversions to calculate, the average oil
38 spot price and the average gas spot price for the previous calendar quarter
39 and publish the average oil spot price and average gas spot price on the
40 energy and carbon management commission's website. The energy and

1 carbon management commission shall routinely provide written guidance
2 to the enterprise on factors relevant to the production fee amounts,
3 including guidance on the current condition of the oil and gas market and
4 the market's sensitivity to higher or lower production fee amounts. In
5 preparing the written guidance, the energy and carbon management
6 commission shall:

7 (II) No later than ~~one month~~ THREE WEEKS after the energy and
8 carbon management commission publishes the average oil spot price and
9 the average gas spot price for the previous calendar quarter on the energy
10 and carbon management commission's website pursuant to subsection
11 (1)(b)(I) of this section, the enterprise shall set the production fee
12 amounts applicable to the previous calendar quarter, notify the executive
13 director of the department of revenue of the production fee amounts set,
14 and publish the production fee amounts on the enterprise's website. Prior
15 to adopting the production fee amounts, the enterprise shall consult with
16 the energy and carbon management commission on the appropriate
17 production fee amounts for the previous quarter and take into account the
18 maximum amounts described in section 43-4-1202 and other relevant
19 market factors."

20 Renumber succeeding sections accordingly.

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