

# What's in a Just Transition: Colorado Communities on Coal, Carbon Removal, and Climate Change

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December 2025

## Executive Summary

Colorado's planned [phaseout](#) of coal-fired power by 2031 presents a tremendous opportunity to build policy and momentum around decarbonization, carbon removal, and a just transition for coal workers and communities in Colorado. Now is the time to understand the needs, hopes, and strengths of Colorado coal communities. No industry will be a one-to-one replacement of coal — or any other fossil fuel — in terms of jobs, economic benefits, and more. But, by asking communities themselves what they envision for their futures, we can collectively build a future that supports workers and communities, and ensures everyone has access to dignity, both in work and in life.

To this end, Data for Progress conducted workshops in three of Colorado's coal communities — Pueblo, the West End, and Craig — to understand how these communities are experiencing the transition away from coal. The workshops sought to explore each community's economic, social, environmental, and cultural contexts and perspectives on the coal industry and its planned phaseout, as well as attitudes toward the potential development of carbon removal, namely direct air capture (DAC). To complement these workshops, Data for Progress also fielded a statewide [survey](#) of Colorado voters to assess overall views toward the clean energy transition.

These findings and recommendations identify key opportunities for Colorado, and states interested in following Colorado's footsteps, to both decarbonize and phase out fossil fuels, *and* deliver a just transition for workers and communities via bold policy, strong public investment, and deep partnerships between workers, communities, and state and local governments.

## Key Findings

- **Colorado voters hold favorable views of clean energy and natural gas, and want to invest in clean energy over fossil fuels.** A strong majority of Colorado voters support building a new solar energy farm (80%) or wind farm (71%) in their community, while just 59% support building a new natural gas plant. Majorities of Colorado voters oppose both new coal mines (53%) and coal plants (52%).
- **Colorado voters and coal community residents hold mixed views toward state and local government.** Though Colorado voters have largely favorable views of their county, municipal, and state government, workshop participants were distrustful of state and local governments, with many feeling like their community had been systemically disinvested in, compared with nearby communities.
- **Though carbon dioxide removal (CDR) and DAC are largely unfamiliar to them, Colorado voters have generally favorable views toward both after learning more in the survey.** Both are seen more favorably after voters read descriptions of the technologies in the survey, and Colorado voters say they would support building both CDR technologies (81%) and DAC facilities (72%) after these descriptions.
- **However, Coloradans in coal communities were more skeptical about the potential of CDR and DAC, especially if they cannot be convinced that appropriate safeguards for the industry are in place.** When workshop participants were considering potential local impacts of carbon removal and DAC, environmental concerns were front of mind, particularly those around land and water use, as well as potential impacts on tourism and outdoor recreation. The high energy needs of DAC were also a point of concern for workshop participants, who worried about impacts on the electrical grid, given the state's concurrent phasing out of coal power.
- **Survey respondents and workshop participants strongly support the use of community benefits agreements (CBAs) on development projects, which can ensure communities and workers materially benefit from development.** Respondents strongly support (81%) the use of CBAs on development projects, after reading a short description of them. This holds with workshop findings, where many participants expressed interest in CBAs as a means to ensure their community actually benefits from any potential DAC development.
- **Colorado voters are interested in public ownership models for new energy infrastructure projects. Similarly, workshop participants were most interested in cooperative ownership models for DAC development.** In the survey, just over half of voters (52%) say they prefer public ownership, with 43% of those respondents saying that they would prefer this to be a cooperative ownership model, similar to a municipal electric co-op. Workshop participants also preferred a co-op model, similar to their trusted local electric co-ops.
- **Colorado voters are generally unfamiliar with the state's planned coal phaseout, while workshop participants in coal transition communities have heard much more about this plan.** Only 12% of Colorado voters report having heard "a lot" about the state's plan to phase out the use of coal to generate electric power, though 64% of voters support the phaseout after reading that Colorado plans to end coal power production by 2031. Furthermore, voters strongly support policies aimed to help communities and workers impacted by the phaseout, including training and apprenticeship programs.

→ ***Though most Colorado voters and workshop participants are open to the idea of phasing out coal, many workshop participants were skeptical that the state had a solid plan for what would come next.*** Workshop participants felt that there'd been a lack of communication from state and local officials, and that policymakers have taken a "top-down" approach to the state's coal phaseout, leading to low trust and uncertainty about what to expect. In particular, participants were wary about their community's economic outlook and unsure how local energy demand will be met post-coal.

## Recommendations

1. **Prioritize rapid decarbonization and fossil fuel phaseout.** Colorado has made significant strides to situate its carbon removal plans within its broader decarbonization agenda and coal phaseout plan, but the state can go even further by spelling out its strategy to phase out fossil fuels more broadly in the next iteration of its greenhouse gas emissions reductions roadmap and in [potential](#) 2026 legislation to accelerate the state's 100% clean electricity target from 2050 to 2040.
2. **Build a public investment and policy model for carbon removal that can deliver negative emissions at gigaton-scale, establish durable pathways for large-scale deployment, and ensure high-quality, verifiable removals.** With federal leadership on carbon removal likely out of reach in the coming years, Colorado and other states can start to build a better public model for carbon removal. In this vein, researchers have [proposed](#) that the U.S. should create a federal carbon removal authority. When carbon removal is back in favor federally, Colorado should support the creation of such an entity, which could enable public implementation of carbon removal, lead research on carbon removal, and carry out mandated annual removals of specific amounts of carbon with strong, publicly developed and transparent monitoring, reporting, and verifying mechanisms. In the interim, the state should consider establishing a carbon removal consortium with other states to model the potential role of a federal carbon removal authority at the regional level.
3. **Finance a centrally planned phaseout of fossil fuels that ensures dignity for fossil fuel communities and workers.** Colorado's existing [STEP Initiative](#) is a critical first step in this regard, but the state could go further by expanding financial support and delivering on policy ideas recommended in its Just Transition Action Plan, including wage and health differential and replacement benefits. The plan also [proposes](#) using the state's appropriations process, soliciting funds directly from utility, coal, and mining companies, and developing innovative state-level funding mechanisms as strategies to help meet the financial needs of the transition. Colorado could also consider a one-time fee or a tax on historically pollutive industries, such as a climate superfund law like those passed in Vermont and New York, to raise funds. What's more, proposed [reforms](#) from Colorado's current regressive, flat-tax system to a graduated income tax system could help marshal much-needed funds to coal workers and communities.
4. **Explore and implement cooperative ownership models for direct air capture and carbon removal.** Throughout workshops, and in the statewide survey, Coloradans express strong interest in cooperative ownership models for DAC, particularly given many workshop participants' positive views of the rural electric cooperatives from which many received their electricity. The state should work to establish such ownership models for DAC, including by collaborating with rural electric cooperatives (RECs) in the state, like Tri-State, San Isabel, and others that serve customers in the communities featured in this report.

5. **Invest in strong, diverse just transition coalitions via comprehensive community engagement strategies.** Despite robust engagement efforts made by the state and OJT, few Coloradans in coal communities know what the state and their local governments are planning for their economy and community after the retirement of coal. Community engagement strategies should be built upon two-way communication, with communities, workers, and other local stakeholders empowered as co-creators of energy generation, workforce, and economic coal transition plans. To be fair, just transition planning by state and local officials in communities is ongoing, with many transition plans and future investments still in the works. Thus, as this transition continues, multi-stakeholder engagement and comprehensive education efforts will be imperative.
6. **Require community benefits agreements (CBAs) where possible and make CBAs public, transparent, and enforceable.** Particularly in coal communities that have faced long-term disinvestment and coal phaseout impacts, CBAs can put communities on a more even playing field with developers, helping to build trust, address potential negative impacts of development, and formalize material benefits for communities and workers. Colorado should consider embedding CBA requirements in bids for receiving state tax credits, permits, and other support, and incentivize municipalities to require these agreements as a precondition for local development projects to proceed.
7. **Build the unionized, local, and dignified workforce of the future.** Colorado can encourage project labor agreements (PLAs) – legally binding agreements between unions and developers – for DAC and new development projects to guarantee the quantity, quality, and conditions of jobs, establish pathways or targets to hire displaced coal and local workers, and build Colorado’s union workforce. The state must also work to build union density and strengthen worker rights via legislation, like the [Worker Protection Act](#).
8. **Ensure DAC — and new infrastructure development — is responsive to local environmental and human health needs,** particularly those around water use. Water-intensive DAC was a strong redline for many workshop participants and a concern for Colorado voters in the statewide survey. As such, any potential DAC or infrastructure development must address local concerns about water use, as well as potential impacts to local landscapes that could hinder tourism and outdoor recreation.
9. **Set strong guardrails for the fossil fuel industry’s role in DAC and carbon removal.** Carbon removal technologies can only deliver negative emissions if deployed in tandem with the phaseout of fossil fuels and scale-up of clean energy. Colorado must responsibly deploy carbon removal and DAC, by establishing strong guardrails around fossil fuel involvement, restricting the ability for fossil fuel companies to use DAC for enhanced oil recovery, and continuing on a path toward total fossil fuel phaseout.
10. **Invest in and expand social programs that complement just transition programs.** No industry or set of industries will be a perfect one-to-one replacement for coal, and ensure that all workers and their communities have access to quality jobs, housing, health care, and more. As such, plans to phase out coal and other fossil fuels must be accompanied by investments in programs that can strengthen the social safety net to support displaced workers and coal communities. This includes, but is not limited to, policies that expand Medicare and access to health care, invest in affordable housing, and bolster unemployment insurance programs.