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Legislators tout gas efficiency bill

By Erika Engelhaupt, For the Camera February 3, 2006

As anyone who's faced high winter heating bills knows, conserving electricity is only half the battle when it comes to saving on energy costs.

State Rep. Tom Plant, D-Nederland, wants utilities to focus on conserving natural gas in addition to electricity. A bill sponsored by Plant that would require utilities to offer customer programs to conserve natural gas is a step closer to becoming law after committee hearings Thursday.

Colorado utilities already run a number of programs aimed at reducing electricity use, such as Xcel Energy's Saver's Switch program that cycles air-conditioning compressors off during peak-use periods, but no programs target gas efficiency. Under the bill, the Public Utilities Commission would establish incentives for gas utilities to set up efficiency programs and create bonuses that reward utilities for running effective programs.

Because demand for natural gas is high, gas prices are sensitive to any changes in supply, said Rep. Jack Pommer, D-Longmont, who co-sponsored the bill. Pommer said cutting demand is a simple way to keep costs down. "By reducing demand, it's just like we're increasing supply," Pommer said.

Plant noted that increasing natural gas reserves is expensive and problematic. "We also have a responsibility as a society to lighten our impact on the environment, which is affected by burning fossil fuels," Plant said.

The House Transportation and Energy Committee passed the bill Thursday with a 6-5 vote. It next goes to the House Appropriations Committee for a vote, Plant said.

The new bill could result in saving more than 16 billion cubic feet per year by 2020, equal to 9 percent of all natural gas use in Colorado, according to an analysis by Boulder-based Southwest Energy Efficiency Project. Natural gas accounts for nearly a third of energy use in the state.

Gov. Bill Owens vetoed a similar bill last June after it passed the legislature.

"We hope the governor will see the energy efficiency light this year and approve this bill," said Howard Geller, executive director of SWEEP.

Xcel Energy, which delivers natural gas to customers in the metropolitan Denver area, supports and helped write the bill.

"Anytime we have the ability to have people conserve more power or energy is a good thing," said Xcel spokesman Tom Henley.

Gas utilities probably would recover the costs of running efficiency programs by adding up to 50 cents per month to customers' bills, according to Geller. Geller says the extra cost will be more than repaid to customers, who will save on monthly bills by increasing efficiency. Also, the bill would authorize only programs that result in net cost savings.