

HEALTHY AND EFFICIENT HOMES AND BUILDINGS FOR COLORADO ACT SB21-246

BACKGROUND

With all the time we spend inside, it's more important than ever to make our indoor air clean and healthy. Voluntarily replacing appliances, furnaces, and water heaters that burn natural gas or propane with clean and efficient electric ones protects the air we breathe as well as our climate. Beneficial electrification also supports job growth for Colorado's small businesses like contractors, plumbers, electricians, and HVAC suppliers. Commercial buildings and industrial facilities also have opportunities to switch to electric technologies to reduce their energy costs and emissions. Utilities can play a key role through education, market development, and financial incentives for their customers.

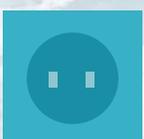


ABOUT THE BILL

This bill directs Colorado's regulated electric utilities (Xcel Energy and Black Hills Energy) to encourage their customers to voluntarily purchase and install high-efficiency electric heat pumps, heat pump water heaters, cooking equipment, and other beneficial electrification measures. Here's how it works:

- **Planning:** Utilities will develop plans to help their customers replace natural gas- and propane-fueled appliances and equipment with high efficiency electric equipment. Utilities must include programs targeted to lower-income households in their plans. The Public Utilities Commission (PUC) will approve the utilities' plans if they reduce pollutant emissions, are cost-effective with social cost of carbon and methane included in the analysis, and meet other criteria.
- **Implementation:** Utilities will implement approved programs, including providing education about the benefits of clean and efficient electric appliances and financial incentives for households and businesses that purchase high-efficiency heat pumps, heat pump water heaters, and other electrification measures. Programs targeted to businesses must meet prescribed labor standards.
- **Reporting:** Utilities will publish annual reports on the impacts of their beneficial electrification programs, including energy savings, economic impacts, and reductions in climate pollution.
- **Targets:** The PUC will set longer-term targets for utility beneficial electrification programs.

SAVES ENERGY



SAVES MONEY



IMPROVES INDOOR AIR QUALITY/SAFETY



BOOSTS JOBS



CUTS CLIMATE POLLUTION





Source: L'Avenir Living



Source: Rheem

WHO BENEFITS

This bill benefits a wide range of Colorado stakeholders, including:

- **Parents** who want to make sure their children and elderly family members vulnerable to respiratory issues can enjoy clean air, inside and outside
- **Homeowners** who want to ensure their homes are as clean, efficient, and safe as possible
- **Utility customers** who will save energy each month using high-efficiency electric appliances, and who won't face volatile or unexpectedly high gas bills
- **Businesses** that sell and install technologies like heat pumps, heat pump water heaters, and others
- **Cities and the state of Colorado** working to dramatically reduce climate emissions and other air pollutants

It's our homes, workplaces, and health. It's our opportunity to rebuild a safer, cleaner, more affordable Colorado that leads the nation in the transition to high-efficiency electric heating and appliances.

PROJECTED IMPACTS

This law positions Coloradans to save energy, adopt new technologies for heating, cooling, cooking, and other end uses, and cut indoor and outdoor air pollution. We estimate it will lead to the following achievements by 2030:

- Installation of 340,000 high efficiency heat pumps and heat pump water heaters in homes and commercial buildings
- Natural gas and propane savings of more than 20 billion cubic feet per year
- Climate emission reductions of 1.1 million metric tons of CO₂-equivalent per year

FOR MORE INFO

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