Energy efficiency: a penny saved, earned

Energy efficiency bill saves $600 million and stops wasteful energy use by customers of rural electric cooperatives and municipal utilities

Denver, CO – Recognizing the cheapest source of energy for the new energy economy is always found through conservation, the Colorado House of Representatives passed a bill out of committee today that would promote energy efficiency for rural, town, and municipal utilities. House Bill 1107, sponsored by Rep. Claire Levy (D – Boulder) passed by a margin of 33 to 32. The bill now moves on to the Senate for further consideration.

“This is the wisest energy investment we can make for homeowners and businesses,” said Kirpal Singh, staff attorney for the Colorado Public Interest Research Group (CoPIRG). “By cutting wasteful energy use, consumers and businesses served by rural electric coops and municipal utilities will save $600 million as a result of energy efficiency measures. At the same time, it will cut down in soot and particulate matter pollution from coal – fired power plants. The particles have been linked to respiratory and heart ailments and are responsible for the deaths of thousands of Americans each year.”

HB 1107 directs 30 electric cooperatives and municipal utilities across the state to invest at least 2% of their revenues into energy efficiency programs such as financial incentives, customer education, and technical assistance by 2010.

The Southwest Energy Efficiency Project estimates that adoption of HB 1107 will result in 420 MW of peak power savings and 1.5 billion kilowatt-hours (kWh) of electricity savings by 2020. The latter value is equivalent to the electricity use of 170,000 typical homes in Colorado.

“Legislation adopted in 2007 is stimulating investor-owned utilities such as Xcel Energy to greatly expand their energy efficiency programs,” said Howard Geller, Executive Director of the Southwest Energy Efficiency Project (SWEEP). “HB 1107 will do the same with respect to Colorado’s municipal and rural utilities, thereby expanding energy savings across the state.”

Last fall, Governor Bill Ritter set a goal to cut Colorado’s global warming pollution 20% by 2020. If HB 1107 is enacted, Colorado homes and business will cut global warming pollution from Colorado’s power plants by 1.4 million metric tons of carbon dioxide (CO2) per year by 2020.

“By wisely investing in energy efficiency, we build our economy and protect our environment at the same time,” said Pam Kiely, Legislative Director for Environment Colorado. “Investing in efficiency is the easiest and cheapest way for everyday Coloradans to help cut global warming pollution.”
About House Bill 1107

- Requires rural electric cooperatives and municipal utilities with more than 5,000 customers to spend 1% of revenue in 2009 on energy efficiency and 2% starting in 2010
- Allows utilities determine which energy efficiency programs to implement
- Energy efficiency programs include financial incentives, customer education, technical assistance, and other activities that promote more efficient electricity use
- Permits utilities use funds from outside resources to meet the spending requirements
- Requires affected utilities to submit annual reports to the Governor’s Energy Office but does not subject rural and municipal utilities to regulation by the Colorado PUC.

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