GEO’s Energy Efficiency Plans:
Life After ARRA

Stacey Simms
December 8th, 2011
SWEEP Regional Meeting
Presentation Overview

• Snapshot of ARRA funding and accomplishments
• New Vision Built Upon the Old
• Improving Market Conditions
• Deep Dive into Work: Valuation Studies
• Q & A
Budgetary Impacts - Total Budget

- Weatherization: 61.2%
- Residential Efficiency: 10.6%
- Renewable Energy: 6.8%
- Commercial & Public Sector: 5.4%
- Greening Government: 0.3%
- Colorado Carbon Fund: 0.5%
- Transmission & Utilities: 0.7%
- Local Programs: 1.3%
- Public Outreach: 3.2%
- Financing: 10.0%
- Greening Government: 0.3%

Total 3 Year Budget of $181,326,836
Budgetary Impacts

Operating Budget and FTE

ARRA

Operating Budget | GEO FTE

2007: $15,452,046 | 25
2008: $18,493,077 | 30
2009: $25,180,658 | 34
2010: $73,100,765
2011: $70,830,496

© 2011 State of Colorado
Budgetary Impacts

Operating Budget and FTE

**FY’12-’13**

**Non-WX**

**State Budget**
$3,059,151 total:
--$1,931,279 for 20.7 FTE
--$1,127,872 for program costs

**Federal Budget**
- ~$450,000
- ~$500,000

SEPP/Revenue
What did ARRA Bring?

ARRA Funding

- Recovery through retrofit concept
- Rechargecolorado.org platform created
- Rebates totaling
  - $10,500,000 Energy Efficiency
  - $7,250,000 Renewable Energy
- Residential Program had 25 different contracts to increase the penetration of ENERGY STAR New Homes and promoted energy retrofits.
  - $300,000 for ESNH regional program development and training
  - $450,000 for ENERGY STAR Mortgage program
  - $350,000 in whole home approach to energy efficiency
  - $40,000 to upgrade real estate listing services

Some Results

- 47% of homes constructed through the 2nd quarter of 2011 qualified as ENERGY STAR New Homes
- Over Energy Efficiency 50,000 rebates paid
- 40% of Homes in Colorado covered by a Green MLS
- Rechargecolorado.org website spun out as private non-profit
- ENERGY STAR Mortgage program can continue beyond ARRA deadline
- 600 additional BPI certified Building Analysts
Post ARRA Vision

The Governor’s Energy Office promotes sustainable economic development in Colorado through advancing the state’s energy markets and industry to create **jobs**, increase energy **security**, lower long term consumer **costs**, and protect our **environment**.
## Governor’s Energy Office Accomplishments for 2011

<table>
<thead>
<tr>
<th>Policy</th>
<th>Legislative</th>
<th>Regulatory</th>
<th>Other</th>
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<tbody>
<tr>
<td>• Secured SB-45, HB-1199, HB-1204, HB-1262</td>
<td>• Mediated settlements for Xcel and BHE PV incentive programs</td>
<td>• Developed analytical energy resource model for EPS</td>
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<tr>
<td>• Obtained commitments from key Senate Ds and House Rs to resolve funding issue in 2012 leg session</td>
<td>• Negotiated settlements for REC sales and BHE wind dockets</td>
<td>• Developed policy roadmap and priorities for the Hickenlooper administration</td>
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<td>• Restructured Xcel TRC for PV standby cost study</td>
<td>• Selected PUC Chair Candidate</td>
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<tr>
<th>Program</th>
<th>Non-Weatherization</th>
<th>Weatherization</th>
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<td>• Secured loan commitments for 100% of RLF; 1 add’l loan closed, balance by 2Q12</td>
<td>• Completed 100% ARRA program targets (6000 homes) with 60% spend</td>
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<td>• Closed rebate program ($19 mm ARRA, $90 mm private leverage)</td>
<td>• Secured $9 MM of LEAP funding for weatherization investment</td>
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<td>• Launched FERC small hydro permit process</td>
<td>• Addressed State audit findings</td>
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| Operations | | |
|-----------|| |
| • Began spin-outs of CCF and Recharge | • Secured $600K of DOE competitive funds for Private EPC Market study |
| • Streamlined staff from 47 FTEs to 36 FTEs through consolidations and shift to temporary staff | • Developed detailed (JBC ready) state budget request |
| • Caught up on past due invoices | • Launched new GEO website |
Key Initiatives

2. Diversifying Colorado’s Transportation Fuels Portfolio
3. Unlocking the Potential of Building Energy Efficiency
4. Developing Transmission for Electricity Markets
5. Greening Government
6. Public Sector Energy Performance Contracting
7. Economic Development through Energy Innovation
8. Energy Policy Development
Role of GEO to Improve Market Conditions for Residential EE Market in 2012?

**Concerns**
- ENERGY STAR New Homes moving to version 3
- Training for HVAC contractors
- ARRA funding is done, but rebates still exist
- 2009 IECC Requirement from ARRA
- Valuation of energy efficiency
- Green MLS use by realtors

**Actions**
- ENERGY STAR Mortgage Redesign
- Statewide platform for idea sharing
- Rechargecolorado.org and Colorado ENERGY STAR New Homes website as resources
- Codes program and training moving to DOLA
- La Plata County ENERGY STAR New Homes Study
- Valuation Study of energy efficient home sales
- Green MLS grants for adoption and training
Does Energy Efficiency Have Value in Local Markets?

Plan of Attack
- Model Portland and Seattle Studies
- Select study area for pilot program
- Answer question on the need for a state backed energy label
- Work with stakeholders to develop work plan
- Offer specific trainings to builders, real estate agents, appraisers, and lenders
- Begin tracking of metrics
- Continual reporting and program evaluation
- Expand to all areas in the state

Metrics
New and Existing Home Sales
- Certified vs. Non-Certified
- New vs. New, Existing vs. Existing
- Days on Market and price per sq ft*

Outcomes
- Energy Efficiency’s Value in CO Markets
- Greater awareness of energy efficiency in all phases of the home buying process
- A program that can be replicated in the state
Where Would a Valuation Study be More Impactful?

Critical Components
• Utility Partnerships
• Currently have Green Fields
• Meaningful Population and Data Size
Greening Government and EPC Programs Save State and Local Taxpayers Millions Annually

Highlights from State Greening Government (GG) and Energy Performance Contracting (EPC)

- State Fleet used 14.27% less petroleum in SFY11 than SFY06
- Identified $5,000,000+ in billing errors
- Awarded DOE funding private sector EPC Pilot

- 32 Energy Performance Contract Projects completed with:
  - ~$8 Million in annual cost savings go towards improvements
  - ~40.6 million kWh saved annually
  - ~159,082 kgal saved annually

The funds requested in FY13 will be used to run the GG program and finalize transition of the EPC program management to be self-funded (fee-for-service)

2012-2013 Goals

- Increased leverage of limited funding
- Demonstrate opps for Private Sector EPC
- Replicate other successful Self-Fund Programs
- Establish new EO’s for GG
Colorado Industrial Energy Challenge Advancing in Colorado

Highlights of the CEIC
• 23 large joined program to set 5 yr energy reduction goals

Table 1 – Summary of Completed CIEC Energy Assessments

<table>
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<tr>
<th>Total identified energy savings (MMBtu/yr)</th>
<th>Total Identified dollar savings ($/yr)</th>
<th>% electrical savings</th>
<th>CO2 emission reductions (metric tons/yr)</th>
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<tr>
<td>839,100</td>
<td>$4,698,000</td>
<td>76.7%</td>
<td>63,600</td>
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Table 2 - First Year Total Energy Savings by Member Companies

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<td>10,782,000</td>
<td>310,900</td>
<td>$1,550,000</td>
<td>2.9%</td>
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2012-2013 Goals
• Establishing opportunities to reduce state’s cash match for DOE award
• Evaluating new opportunities to increase company investment into assessment but receiving rebates for measures implemented
• Identifying new partners
For more Information

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