



Southwest Energy Efficiency Project

Saving Money and Reducing Pollution through Energy Conservation

REA and Municipal Utility Energy Efficiency Legislation House Bill 08-1107

- HB 1107, sponsored by Rep. Claire Levy, will expand energy efficiency programs implemented by municipal utilities and rural electric cooperatives in Colorado. It complements HB 07-1037 which applied to investor-owned utilities and was passed by the legislature.
- HB 1107 directs covered utilities to spend at least 2% of their sales revenues on cost-effective energy efficiency programs for their customers starting in 2010, programs such as low-cost energy audits, rebates on high efficiency appliances, and cost reductions for CFLs.
- The bill applies to 30 electric utilities in the state serving over 900,000 customers. Small utilities with under 5,000 customers are exempted.
- HB 1107 will lead covered utilities to spend at least \$32 million per year on energy efficiency programs. Each utility decide which energy efficiency programs to offer.
- The bill does NOT extend PUC regulation to municipal utilities or rural electric cooperatives.
- Estimated electricity savings: 420 MW of peak electric power demand and 1.5 billion kWh per year by 2020. The latter value is equivalent to the electricity use of over 170,000 typical households in Colorado.
- The Fort Collins municipal utility is implementing energy efficiency programs that save energy at an average cost of 1.5 cents per kWh, one quarter the cost of electricity supply. But most municipal utilities and rural coops in the state are not doing this.
- If this bill is adopted, consumers and businesses will realize \$600 million in net economic benefits as a result of efficiency measures installed during 2008-2020 according to SWEEP.
- Estimated reduction in carbon dioxide (CO₂) emissions by power plants: 1.4 million metric tons of CO₂ per year by 2020. The bill will help to achieve Gov. Ritter's climate action goals.

**HB 1107 WILL SAVE CONSUMERS AND BUSINESSES MONEY,
REDUCE THE NEED FOR COSTLY NEW POWER PLANTS, AND
LOWER AIR POLLUTION—PLEASE SUPPORT THIS BILL!**