

UPDATE | FEBRUARY 24, 2021

SUMMARY OF COLORADO ENERGY EFFICIENCY & BUILDING ELECTRIFICATION PROPOSED LEGISLATION HOUSE BILLS | LEGISLATIVE SESSION 2021

CONTRIBUTE YOUR COMPANY'S LOGO TO EEBC'S GROUP LETTERS OF SUPPORT TO LEGISLATORS

COMMIT TODAY | DEADLINE IS FRIDAY 5 PM

| HOW YOUR COMPANY OR YOU CAN CHAMPION LEGISLATIVE HOUSE BILLS WITH EEBC

PARTICIPATE IN MONTHLY POLICY ACTION COMMITTEE [PAC] MEETINGS AND WEEKLY WORKING GROUPS FOR OPPORTUNITIES TO INFLUENCE THE BILLS' OUTCOMES | GET TIMELY UPDATES | MARCH - MAY

1st SUPPORT STEPS

- Contribute your Company's logo to EEBC's Group Support letters to Legislators
- Provide your feedback on the Bills - from your industry perspective
- Participate in Slide Testimonial "Real Jobs, Buildings on the Jobsite, Customers living lifestyle now, etc. –"
- Provide technical performance data/case studies/white papers/customer quotes and experience stories [i.e., Comments about why they like their new [product]... energy use changes they were excited to see happen, etc.]

2nd SUPPORT STEPS

- Testify in House & Senate Committee Hearings in support of these Bills
- Contact/write letters to your district Legislators to support these Bill. [i.e., share your company's size, jobs, and community impact. How will these Bills impact job creation in your district, forecast your company growth, etc.]

EEBC will provide guidance, templates, and talking points to assist you in creating correspondence and testimony.

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| SUMMARY OF THREE HOUSE BILLS — FROM PAC MEETING | FEB 25, 2021 | PPT PRESENTATION

[DOWNLOAD FACT SHEET](#) | ENERGY PERFORMANCE IN BUILDINGS ACT OF 2021

#1 COMMERCIAL BUILDING BENCHMARKING AND PERFORMANCE STANDARDS

| BILL HIGHLIGHTS

- Most commercial and multifamily buildings over 50,000 sq. ft.
- Benchmarking starts for 2021
- Scores published online by CEO
- Upgrade requirements every five years starting in 2026
- Initial upgrade requirements hardwired in the bill; subsequent requirements set by AQCC

GOAL | 20% Energy Savings and GHG Emissions education by 2030

| HOUSE BILL SUMMARY

- This bill requires most commercial, multifamily, and public buildings greater than 50,000 sq. ft. to measure and report their energy use annually through ENERGY STAR Portfolio Manager, and then makes that data public in an online resource similar to www.energizedenver.org so that the market can recognize, reward, and drive efficient, high-performing properties. Then, it requires lower-performing buildings to demonstrate performance upgrades every five years. Options for meeting the initial performance standards include reaching an ENERGY STAR score of 75 or higher, improving their ENERGY STAR score by 15 points, reaching a sector-specific target EUI, reducing EUI by 15%, or others. There are exemptions, waivers, or time extensions for buildings that have special circumstances including affordable housing, historical buildings, condos, or financial hardship situations (including COVID-related losses). After the first round of performance standards that are specified in the bill, the state's Air Quality Control Commission will establish future performance standards.

GOAL | 20% Energy Savings and GHG Emissions Education by 2030

| CAMPAIGN UPDATES AS OF 2/24/21

- Sponsors: Rep. Kipp, Rep. Valdez, Sen. Pettersen
- Final draft done. Bill “sent upstairs” to legislative drafter for final edits, assignment of name and bill number
- 1 of Rep. Kipp’s first three bills - will be introduced shortly
- Have a document going - with amendments started
- EEBC Members should give feedback on Bill now!
- Rectifying state buildings issue

| SIDE NOTE: CLEAN HEAT HB - EEBC NOT SUPPORTING, BUT WATCHING

- Concept: Emissions standard and cap on gas utilities emissions
 - Would include electrification, gas DSM, RNG
- To see if BE could be absorbed into this Bill if there is not a path through the current labor discussions for BE
- Combining the bills might be the solutions if that opportunity opens-up as we go

#2 BENEFICIAL ELECTRIFICATION IN BUILDINGS (BEB)

| BILL HIGHLIGHTS

- PUC will set electrification targets for Xcel Energy and Black Hills Energy
- Electric utilities prepare and receive approval of BEB program plans
- Utilities implement programs promoting and providing incentives for the adoption of heat pumps, HPWHs, etc.
- Utilities report annually on program impacts

GOAL | ROBUST UTILITY BEB PROGRAMS AND RAPID EXPANSION OF BE MARKET

| HOUSE BILL SUMMARY

- This bill facilitates Xcel Energy and Black Hills Energy helping their customers acquire high-efficiency heat pumps, heat pump water heaters, and other electrification measures. The bill directs the PUC to set electrification targets for utility BEB programs, followed by the utilities developing plans to meet the electrification targets. The PUC will approve a utility’s BEB plan as long as it reduces net greenhouse gas emissions and is cost-effective including valuation of avoided carbon dioxide and other greenhouse gas emissions. A utility’s BEB plan must include one or more programs targeted to low-income households. Utility BEB programs are expected to include incentives, education and training, and other activities to increase the adoption of high-efficiency heat pumps and other electrification measures. Utilities will report annually on the impacts of their BEB programs. The bill also encourages but does not require, non-regulated electric utilities to implement BEB programs for their customers.

| CAMPAIGN UPDATES AS OF 2/24/21

- Sponsors: Sen. Fenburg
- Labor had sent some suggestions, folks had feedback, waiting a more refined version
- Release timing: not on a quick timeline, won’t be introduced before there’s more consensus
- Stakeholders meetings:
 - Caitlin Rood (National Sustainability Director for Mercy Housing)
 - Could testify when time comes
 - Labor: Pipefitters, IBEW, AFL, Colorado Building and Construction Trades council (Mechanical Trades), Blue Green Alliance, BGA

#3 NATURAL GAS DSM POLICY

| BILL HIGHLIGHTS

- PUC will set natural gas savings targets for regulated gas utilities
- Gas utilities include the social cost of carbon and methane emissions in cost-benefit analysis
- The social discount rate used for determining NPV of economic benefits (customer cost share)
- **GOAL | Expansion of Gas Utility Energy Efficiency Programs**

| HOUSE BILL SUMMARY

- This bill revises some of the basic policies guiding gas utility energy efficiency programs in Colorado. It directs the PUC to set energy savings targets for the gas utility program based on the maximum cost-effective and achievable energy savings potential. It reforms the cost-effectiveness analysis of gas energy efficiency programs by requiring valuation of avoided

carbon dioxide and other greenhouse gas emissions. And it calls for use of a relatively low social discount rate for determining lifecycle costs and benefits of energy efficiency investments made by consumers. The objective of these policies is to expand energy efficiency programs implemented by gas utilities.

GOAL | Robust Utility BEB Programs and Rapid Expansion of BE Market

| CAMPAIGN UPDATES AS OF 2/24/21

- Lead Sponsors: Rep. Tracy Bernett, Sen. Hansen
- Starting in the House – going to be introduced quickly
- Drafted and finalized for introduction
- Shared with utilities and is requesting feedback from them
- Status - Do any amendments need to happen for folks to be on board?
- WRA, CO, SWEEP all met and resolved feedback
- Been shared with utilities and is requesting feedback from them

EIBC QUARTERLY MEMBERSHIP MEETING

2021 MEETING DATES
7:30 am - 9:30 am
• • • • •
March 18, Thursday
June 24, Thursday
September 16, Thursday
December 16, Thursday

"I need you to mark another date on your calendar"

RSVP FOR THE VIRTUAL MEETINGS

The poster features a cartoon illustration of a man in a suit standing in a doorway, looking at a man sitting at a desk. The man at the desk has a speech bubble that says, "I need you to mark another date on your calendar". On the wall behind the man at the desk is a calendar with several dates marked with arrows. The poster is framed in blue.