



**COLORADO**  
Energy Office

**FOR IMMEDIATE RELEASE**  
**Office of Governor Jared Polis**

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## **Colorado Energy Office releases energy affordability study to inform strategies to help Coloradans save money by reducing energy costs**

**DENVER - Thursday, Feb. 3, 2022** - The Polis administration and the Colorado Energy Office (CEO) today released a new study, *Pathways to Energy Affordability in Colorado*. Authored for CEO by Physicians, Scientists, and Engineers for Healthy Energy (PSE Healthy Energy) and the Institute for Energy and Environmental Research (IEER), the study provides an analysis of existing energy cost burdens to inform strategies to achieve energy affordability for all Colorado households while also supporting the state's clean air and climate goals.

Although Colorado has more affordable electricity and gas rates than many other states, energy cost burdens—the fraction of household income spent on electricity and fuel use—are particularly high for Colorado's rural communities, low-income households, renters, populations of color, mobile home residents and propane users. These energy cost burdens can be alleviated over time by investing in key policies and programs. In the near term, increased support from bill assistance programs can help lower energy cost burdens. The expansion of energy efficiency, community solar gardens and demand response in heavily energy-burdened communities can simultaneously improve energy affordability for those who need it most while also helping the state achieve its climate and clean energy goals.

The study's recommendations to reduce energy cost burdens for low- and moderate-income households in Colorado include:

- **Efficiency and electrification investments:** This includes investing in building envelopes, increasing the efficiency of electric appliances and lighting, and converting gas and propane-heated homes to efficient electric heat pump systems.
- **Community solar gardens:** The build-out of sufficient community solar gardens can provide low cost electricity for low- and moderate-income electricity customers including the increase in electricity demand from electrification.
- **Demand response:** Residential demand response programs, enabled through the adoption of smart appliances and build-out of broadband infrastructure, can help reduce energy costs through payments to customers for avoiding energy use at peak times.
- **Energy assistance:** Enrollment in programs such as the Colorado Low-Income Energy Assistance Program (LEAP) and utility Percentage of Income Payment Plans (PIPP) can be expanded to all households meeting eligibility requirements.
- **Green bank:** Increasing the capitalization of the Colorado Clean Energy Fund would enable low- to no-interest financing with a mix of loans to weatherize homes and electrify space and water heating.
- **Weatherization grants:** Households in the lowest income bracket (less than 50 percent of the Federal Poverty Level) need additional investment for weatherization.

The Polis administration and the State of Colorado are working to ensure an equitable transition to a lower carbon economy including lower income households and communities disproportionately impacted by climate pollution. To support this equitable transition, CEO engaged with PSE Healthy Energy and IEER to identify policies, programs and interventions that regulated utilities can use to ensure these households and communities do not experience increased energy burdens from this transition and instead share in the benefits of a lower carbon economy.

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### **About the Colorado Energy Office**

To deliver on the vision of a prosperous, clean energy future for Colorado, the Colorado Energy Office works to reduce greenhouse gas emissions and consumer energy costs by advancing clean energy, energy efficiency and zero emission vehicles to benefit all Coloradans. Go to [energyoffice.colorado.gov](https://energyoffice.colorado.gov) to learn more.