



## Southwest Energy Efficiency Project

*Saving Money and Reducing Pollution through Energy Conservation*

### **Rural Electric Cooperative Energy Efficiency Legislation Overview and Benefits of 2009 Bill**

- Requires large rural electric cooperatives with more than 100,000 customers to achieve 2% electricity savings by 2012, 5% savings by 2015, and 10% savings by 2020 as a result of energy efficiency programs starting in 2009.
- Intermountain (IREA) is the only cooperative the bill applies to at the present time. IREA has not been implementing energy efficiency programs for its customers. Legislation is needed so that households and businesses served by IREA can receive the same energy efficiency services that customers of Public Service Company (Xcel Energy) receive.
- IREA would decide which energy efficiency programs to offer. IREA can meet up to 20% of the requirements by promoting fuel switching as long as it reduces primary energy use (e.g., heat pumps replacing inefficient propane heat). IREA can use funding from its customers, Tri-State, GEO, or other sources to meet the requirements.
- SWEEP estimates that IREA would need to spend about \$3.5 million per year on energy efficiency programs in order to meet the energy savings requirements.
- Estimated electricity savings: 108 million kWh per year by 2015 and 215 million kWh per year by 2020. The latter value is equivalent to the electricity use of 25,000 typical households in Colorado.
- SWEEP estimates that consumers and businesses in the IREA service area will realize about \$85 million in net economic benefits as a result of energy efficiency programs implemented during 2009-2020.
- Estimated reduction in carbon dioxide (CO<sub>2</sub>) emissions by power plants: 100,000 metric tons of CO<sub>2</sub> per year by 2015 and 200,000 metric tons of CO<sub>2</sub> per year by 2020. Thus the bill will help to achieve Governor Ritter's Climate Action Plan goals.
- Requirements sunset in 2021 unless extended by the state legislature.