Colorado Fact Sheet: Clean Power, Clear Savings

The U.S. Environmental Protection Agency (EPA) has introduced a proposal to reduce carbon pollution from existing power plants—a critical step to address climate change in the U.S. The proposal, dubbed the Clean Power Plan, asks each state to design its own strategy to achieve carbon reduction targets by 2030. It offers Colorado a great opportunity not just to reduce climate change, but to lower electricity bills and boost the state economy.

Basics on the Clean Power Plan in Colorado

In June 2014, the EPA introduced a proposal to curb carbon pollution from existing power plants. The EPA has proposed a 35 percent emission reduction target by 2030 for Colorado. The agency expects to finalize the Clean Power Plan by August 2015.

The EPA rule offers a significant opportunity to save Colorado electricity consumers money and boost the state economy. **A Public Citizen analysis projects that energy efficiency measures under the Clean Power Plan will cut electricity bills for Colorado residents up to 11.4 percent by 2030.**

Colorado can save electricity consumers even more money if it adopts stronger energy efficiency policies. It should seize this opportunity to serve its citizens, who overwhelmingly support more investment in efficiency and clean energy.[1]

The Clean Power Plan Will Cut Colorado Electricity Bills

- Based on the EPA's conservative data, by 2030, electricity bills will be 7.8 to 11.4 percent lower under the Clean Power Plan, saving the average Colorado household $81 to $118 annually.[2]
- Under the Clean Power Plan a typical Colorado household will pay $1,039 for electricity in 2030; without the Clean Power Plan it will pay $921 to $958.[3]
- Colorado could see even greater savings than the EPA's data suggest because the agency omits entire categories of efficiency measures that states can use, such as building codes and appliance standards.[4]

Promoting Energy Efficiency Benefits Colorado Consumers and the Environment

- The American Council for an Energy-Efficient Economy estimates that Colorado's investments in energy efficiency in 2013 saved ratepayers 472,00 megawatt hours (MWh)—the equivalent of meeting the annual electricity needs of more than 50,000 Colorado households.[5]
- At the average price of electricity, $0.12 per kWh, Colorado saved more than $57 million through energy efficiency programs in 2013.[6]
- In 2014, the Centennial state was ranked 13th in the county and first in its region for its energy efficiency advancements including utility energy efficiency programs, building energy codes standards and appliance and equipment efficiency standards.[7]
- According to the Southwest Energy Efficiency Project, scaling up energy efficiency programs could save Colorado consumers nearly $5 billion by 2030 and allow utilities serving Colorado to avoid spending nearly $7 billion constructing and operating power plants.[8]

Colorado Can Capitalize on the Expanding Clean Energy Economy

- Colorado is in the top five states in the country for solar power production. Enough solar energy already is installed in the state to power 79,000 homes.[9]
- Colorado's wind energy potential—ranked 12th in the country—has the potential to generate 25 times the state's current electricity needs.[10]
- The renewable energy industry employs nearly 8,000people in Colorado and 387 solar companies employ 4,200 Coloradans.[11]
- The National Renewable Energy Laboratory, based in Colorado, is a hub for clean energy solutions, leading research in photovoltaic technology, hydrogen and fuel cells, wind, energy-efficient buildings and advanced vehicles.[12]
- Support for renewable energy in Colorado has attracted private investment and made the state a clean energy industry leader in the Mountain West.

ENDNOTES

[1] NRDC, New Bipartisan Poll: Americans Embrace Climate Action, clean energy & Health Protections – Majorities in Maine, New Hampshire, Virginia, Florida, and Colorado back an agenda of clean water, clean air, health safeguards and action on climate change, Jan. 22, 2015, http://www.nrdc.org/media/2015/150122.asp.

[2] Public Citizen analysis of EPA and Energy Information Administration data.

[3] *Id*.

[4] *Id*.

[5] American Council for an Energy-Efficiency Economy, The 2014 State Energy Efficiency Scorecard, http://aceee.org/sites/default/files/publications/researchreports/u1408.pdf.

[6] Energy Information Administration, How Much Electricity Does an American Home Use?, http://www.eia.gov/tools/faqs/faq.cfm?id=97&t=3 .

[7] American Council for an Energy-Efficiency Economy, The 2014 State Energy Efficiency Scorecard, http://aceee.org/sites/default/files/publications/researchreports/u1408.pdf.

[8] The Southwest Energy Efficiency Project, Study: Energy Efficiency Could Save Colorado Consumers $4.8 Billion, Oct. 9, 2012, http://www.swenergy.org/Data/Sites/1/media/documents/press/PRESSRELEASE%20CO%2020BB%2010-9-12.pdf.

[9] Solar Energy Industries Association, Colorado Solar, http://www.seia.org/state-solar-policy/colorado.

[10] American Wind Energy Association, Wind Energy Facts: Colorado, http://awea.files.cms-plus.com/FileDownloads/pdfs/3Q-12-Colorado.pdf.

[11] The Colorado State Energy Report 11-12 (2014), http://www.colorado.gov/cs/Satellite?blobcol=urldata&blobheadername1=Content-Disposition&blobheadername2=Content-Type&blobheadervalue1=inline%3B+filename%3D%22The+Colorado+State+Energy+Report+2014.pdf%22&blobheadervalue2=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1251995613769&ssbinary=true.

[12] National Renewable Energy Laboratory, http://www.nrel.gov/.