



Via email

March 25, 2019

Honorable Dominique Jackson
Chair, Colorado House Energy & Environment Committee

Honorable Edie Hooton
Vice Chair, Colorado House Energy & Environment Committee

Dear Representative Jackson, Representative Hooton, and Members of the Committee,

On behalf of the Natural Resources Defense Council, a leading environmental advocacy organization, and its more than 3 million members and activists, including more than 16,000 Colorado residents, we offer our strong support for House Bill 19-1231, concerning energy efficiency standards.

Energy efficiency remains the cheapest, cleanest way to meet energy demand. In fact, Colorado households already save \$500 per year from national appliance standards. When homeowners and businesses use less energy, it saves them money on their utility bills, but also reduces air pollution and greenhouse gas emissions for everyone. And energy efficiency improvements are often extremely cost-effective for consumers and businesses, saving more on utility bills than what it costs to implement the improvement.

This bill proposes updates to fifteen new and installed products that will cumulatively save Coloradans \$78 million per year by 2025, and \$168 million per year by 2035, according to analysis by the Appliance Standards Awareness Project (ASAP).¹ With these standards saving \$6.40 for every \$1

¹ Appliance Standards Awareness Project, "2019 State Appliance Standards Recommendations," https://appliance-standards.org/sites/default/files/state_savings_state_standards/Colorado.pdf

spent, the state of Colorado will eventually save \$1 billion. The same ASAP analysis estimates that these updated standards will also help consumers to decrease water usage by 8 billion gallons per year and reduce carbon dioxide emissions by 3.1 million tons—the equivalent to taking 60,000 cars off the road, annually, which will help to curb contributions to climate change.

Furthermore, products that meet standards are already widely available in Colorado. The standards levels proposed in this bill are based on programs like ENERGY STAR, or standards already in place in other states. Many products have little or no upfront cost compared to less-efficient products, so the payback period is less than three years in nearly every case.

The U.S. Department of Energy recently proposed a rollback to light bulb standards that will cost consumers at least \$12 billion in electricity bill savings, or about \$100 per household every year, by 2025. This rollback will also require the U.S. to generate an additional 25 power plants' worth of electricity every year, and generate additional, harmful pollution that contributes to health problems like asthma and warms our climate.

This bill gives Colorado the opportunity to fight back against the Trump administration's proposed lighting rollback, by adopting the expansion of 2020 general service lamp standards and the broadened light bulb definition at the state level. An issue brief published by ASAP and the American Council for an Energy Efficient Economy (ACEEE) found that Coloradans stand to save 2,448 GWh of electricity—worth \$281 million in electricity bills costs—by 2025 if these lighting standards were adopted.² This works out to \$134 per household. These improved standards will additionally reduce carbon emissions by 1.37 million tons in 2025.

ACEEE's 2018 State Scorecard identifies Colorado as one of the nation's most-improved states in terms of energy efficiency since its 2017 report, thanks to recent state efforts to promote energy efficiency. Adopting state standards will help position Colorado as a leader to strengthen policies that save money and energy for consumers, while also curbing emissions.

² Appliance Standards Awareness Project and American Council for an Energy Efficient Economy, "US light bulb standards would save billions for consumers but manufacturers seek a rollback," https://appliance-standards.org/sites/default/files/light_bulb_brief_appendices_0.pdf

House Bill 19-1231 presents the opportunity to cut costs for low-income households which are more heavily burdened by high utility bills, protects consumers from the effects of federal rollbacks, and ensures that manufacturers and distributors do not dump inefficient products into Colorado's market.

We encourage you to support this bill.

Sincerely,



Lauren Urbanek
 Senior Energy Policy Advocate
 Climate and Clean Energy Program

	Potential annual utility bill savings (million 2017\$)		Net present value savings (million 2017\$)	Benefit-cost ratio	Payback period (years)
	In 2025	In 2035			
Air compressors	0.2	0.7	3.1	3.1	3.4
Air purifiers	3.3	7.5	34.0	2.6	3.2
Commercial dishwashers	1.9	6.3	38.1	9.3	1.2
Commercial fryers	2.4	6.5	23.6	2.1	4.5
Commercial hot-food holding cabinets	0.3	0.8	3.9	3.1	3.1
Commercial steam cookers	1.7	4.9	31.0	10.5	1.0
Computers and computer monitors	11.7	15.9	69.9	2.2	2.4
Faucets	19.7	48.7	350.2	no cost	0.0
High CRI fluorescent lamps	3.5	1.5	16.5	2.8	2.8
Portable air conditioners	0.9	2.8	13.0	3.3	2.8
Portable electric spas	0.8	1.9	13.4	no cost	0.0
Residential ventilating fans	0.4	1.0	7.4	no cost	0.0
Spray sprinkler bodies	28.4	65.6	415.3	8.0	1.1
Uninterruptible power supplies	1.9	2.7	13.0	2.5	2.3
Water coolers	0.5	1.2	8.7	no cost	0.0
Total	78	188	1,041	6.4	-

Assuming a compliance date of 2021 for almost all the recommended standards. Net present value savings take into account both utility bill savings and estimated impacts on product costs for items sold between 2021 and 2035. Totals may not sum due to rounding. The total benefit-cost ratio is calculated as the present value of the total utility bill savings from products sold through 2035 for the package of recommended standards divided by the present value of the total additional costs.

NATURAL RESOURCES DEFENSE COUNCIL