

Accelerating Policies and Programs for Community Resilience and Emissions Reductions

2025 CCCMA Annual Conference - Colorado Energy Office



CEO Mission & Vision

Mission

Reduce greenhouse gas emissions and consumer energy costs by advancing clean energy, energy efficiency and zero emission vehicles to benefit all Coloradans.

Vision

A prosperous, clean energy future for Colorado.

Energy Codes & Solar Permitting



Energy Codes Overview

- ❖ Energy codes set minimum energy efficiency standards for new buildings and major renovations of existing buildings.
- ❖ Energy codes set requirements for things like:
 - Insulation
 - Sealing air leaks
 - Mechanical system efficiency (HVAC, ventilation, fans, etc)
 - Lighting efficiency
- ❖ In Colorado, energy codes are adopted and enforced locally.
 - State law now has minimum energy code requirements.



State Laws/Requirements for Energy Codes

- ❖ House Bill 22-1362 sets minimum energy code requirements that local governments must adopt **when they adopt or update any other building code.**
- ❖ Current state minimum: 2021 IECC + Colorado Model Electric Ready and Solar Ready Code
- ❖ State minimum beginning July 1, 2026: Colorado Model Low Energy and Carbon Code



HOUSE BILL 22-1362

BY REPRESENTATIVE(S) Barnett and Valdez A., Amabile, Bacon, Benavidez, Boesenecker, Cutter, Froelich, Hooton, Jodeh, Kennedy, Kipp, Lindsay, Lentine, McCormick, Michaelson Jenet, Sirota, Titone, Woodrow; also SENATOR(S) Hansen and Winter, Jaquez Lewis, Moreno, Priola.

CONCERNING THE REDUCTION OF BUILDING GREENHOUSE GAS EMISSIONS, AND, IN CONNECTION THEREWITH, REQUIRING THE DIRECTOR OF THE COLORADO ENERGY OFFICE AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS TO APPOINT AN ENERGY CODE BOARD THAT DEVELOPS TWO MODEL CODES, REQUIRING LOCAL GOVERNMENTS AND CERTAIN STATE AGENCIES TO ADOPT AND ENFORCE CODES THAT ARE CONSISTENT WITH THE MODEL CODES DEVELOPED BY THE ENERGY CODE BOARD, CREATING THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM, CREATING THE HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM, AND ESTABLISHING THE CLEAN AIR BUILDING INVESTMENTS FUND.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** part 4 to article 38.5 of title 24 as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.



Model Electric Ready and Solar Ready Code

- ❖ Includes pre-wiring requirements for new homes and commercial buildings to be prepared for future:
 - Electrification of space and water heating, cooking, and clothes drying
 - Installation of rooftop solar
 - EV charging infrastructure
- ❖ Requirements are in addition to the efficiency requirements of the IECC.



Model Low Energy and Carbon Code

- ❖ Currently in development by the CO Energy Code Board - expected to be published by September 1, 2025.
- ❖ Based on the 2024 IECC, with amendments to strengthen energy efficiency and decarbonization impacts and tailor to CO needs.
- ❖ Still in draft form, but likely to include the following major changes:
 - Basing energy performance on energy use, not energy cost
 - Encouraging, but not mandating, electrification
 - Adding additional efficiency and decarbonization requirements for larger homes
 - Requiring demand response capabilities for systems to improve grid reliability
 - Providing more flexibility for the use of on-site renewable energy



Model Green Code

- ❖ A stretch sustainability building code with requirements to drive low-emission, highly sustainable buildings.
- ❖ **Voluntary** for local governments to adopt and enforce.
- ❖ Planned to be published Summer 2025
- ❖ Focuses on four main topics:
 - Water efficiency (building & site)
 - Embodied carbon
 - Energy (beyond state minimums)
 - Indoor air quality



Energy Code Resources

- ❖ [Energy Code Adoption & Enforcement Grant Program](#) - direct funding to local governments to support the adoption, implementation, and enforcement of updated energy codes.
 - Applications on a rolling basis, funding awards made quarterly
 - Next deadline: May 30, 2025
- ❖ [Energy Code Technical Assistance and Training](#)
 - **Technical assistance** - code drafting, community engagement, elected official engagement, data collection, etc.
 - **Training** - webinars, virtual or in-person training by request, role-based training
 - [Colorado Codes Helpline](#) - get quick answers to code questions!



Solar Permitting Resources

[Automated Permit Processing for Solar \(APPS\) grant funding](#) - funding to local governments to support the adoption of an automated permit processing software for residential solar and storage permits

- Applications on a rolling basis
- Eligible costs: Staff and consultant time, contractor training, maintenance costs for up to 3 years, equipment
- Benefits of automated permitting: saves staff time by automating plan review, ensures code compliance, reduces errors and permit re-processing, enables coloradans to go solar faster

Commercial Building Decarbonization & Electrification

Building Decarbonization in Colorado

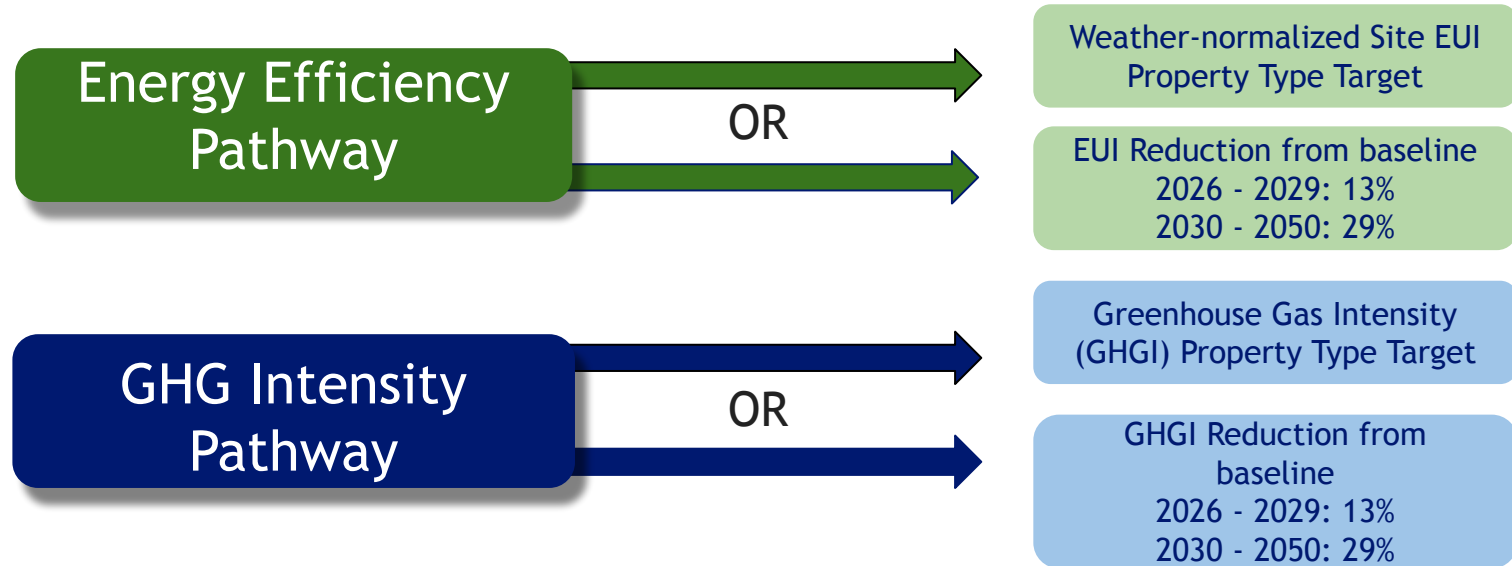
In 2023, two regulations took effect Colorado:

- Environmental Standards for Appliances (ESA)
 - Prohibits certain less efficient appliances or products from being sold in Colorado
 - Future available appliances or products for sale are more resource efficient
 - Includes the Clean Lighting Act
- Building Performance Standards (BPS)
 - Sets energy or emission reduction targets for buildings $\geq 50,000$ sqft
 - Covered buildings must meet first EUI or emissions reduction target by 2026

Public buildings impacted by the ESA's Clean Lighting Act may also trigger earlier applicability to the BPS rule.

BPS Pathways

Under HB21-1286, covered buildings 50,000 SF or greater are required through a statewide Building Performance Standard (BPS) to achieve a standard or property type reduction in greenhouse gas emissions or site EUI.



Supportive Existing and New Resources

The Energy Office has existing and developing programs, incentives, and technical resources to assist building owners in meeting their BPS targets.

Financing Tools:
EPC, CPACE

Tax Credits & Local Incentives

+

Portfolio Manager:
Integration of DOE Buildings Tool

Federal Programming:
Large Building Decarbonization Grants



Large Building Decarbonization Showcase

To assist in this reduction CEO was awarded a Climate Pollution Reduction Grant (CPRG) in July 2024, with \$35M of the awarded CPRG implementation grant funds to be awarded to building emission reduction projects.

- ❖ Funding under this program will be designed to resource, accelerate, and share example solutions that cost-effectively reduce large commercial building emissions. This program will achieve emissions reductions in large buildings by funding projects that are able to achieve compliance with their BPS emissions reduction target before their deadline or beyond their selected target.

Eligibility and Program Goals

❖ Who is eligible to apply for this program?

- Owners of buildings that are considered covered buildings under BPC and have selected the Greenhouse Gas Intensity Reduction target are eligible to apply for funding.

❖ Eligible projects will require all of the following:

- Buildings covered under Colorado's performance standard,
- Achieve more emissions reductions than required and/or on a faster time frame, and
- Leverage significant cost match (at least 50%).
- Be in good standing with BPC
- Have a recent emissions reduction assessment



Eligibility and Program Goals Continued

❖ What are the incentive amounts/levels?

- The State anticipates awarding funds in four rounds during the first three years of the program. Our work plan indicates a potential of 35 awards ranging from \$500,000 to \$2M. Awardees must leverage a 50% cost match at a minimum.

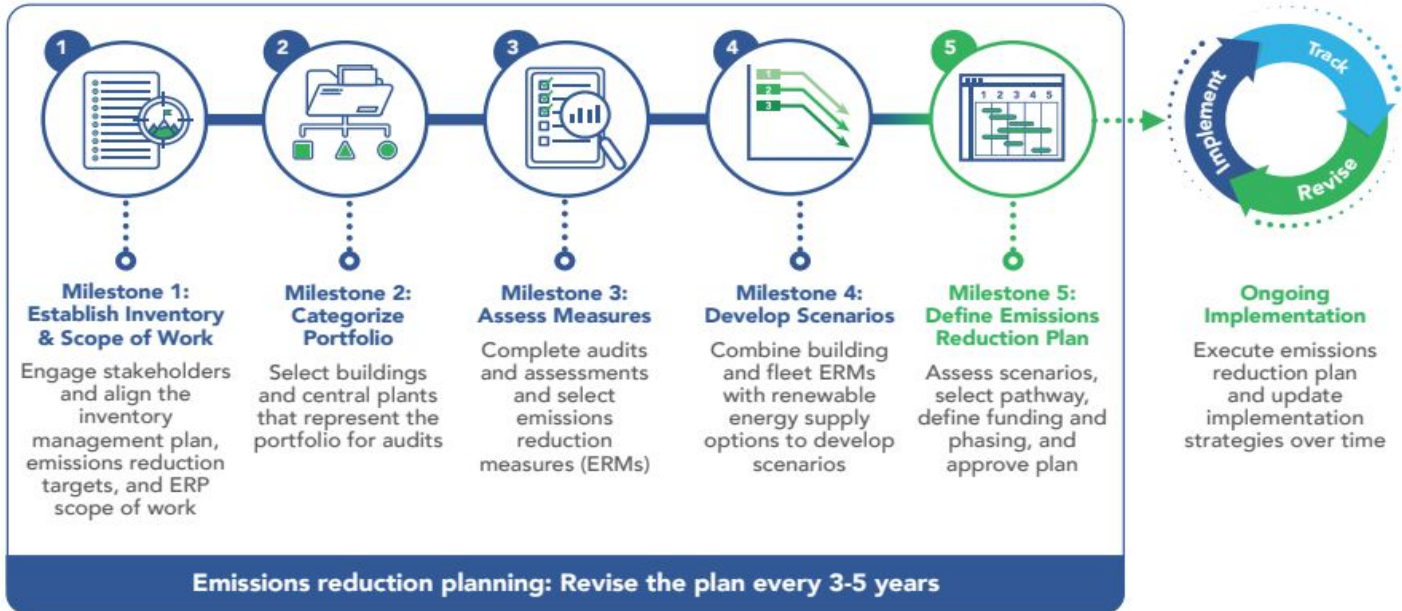
❖ Types of projects could include:

- Electrification of fossil-based heating, water-heating and other energy systems, innovative energy efficiency improvements that also result in emissions reductions (as demonstrated through Energy Star Portfolio Manager and Building Emissions Calculator), upgrades to produce demand flexibility and ongoing energy and performance optimization.



Technical Assistance

❖ Technical assistance will be available for interested applicants to complete emissions reduction assessments.



Timeline

- ❖ Spring 2025
 - Assemble advisory committee
 - Stakeholder engagement begins
- ❖ Summer 2025
 - Announce program guidelines and technical assistance opportunities.
- ❖ September 2025
 - First funding round opens
- ❖ Fall 2025
 - First awards announced



Local Impact Accelerator

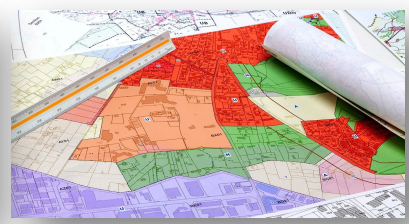


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Local Impact Accelerator Overview

\$50M of CEO's Climate Pollution Reduction Grant (CPRG) award is for the Local Impact Accelerator, which will provide grant funding to **support local policy adoption and project implementation** to bolster local resilience, energy efficiency and state pollution reduction goals.

The Accelerator aims to **create local impacts in communities** in four sectors: building decarbonization, land use, transportation, and waste.



Key Details

- 2 application rounds in 2025, during which CEO expects to award all grant funding
- Policy & Project Funding
 - Up to ~\$200,000 for policy adoption grants
 - Up to ~\$1.8M for project grants
- Applicants can apply for:
 - Only policy funding, or
 - Policy and project funding
- Applicants cannot apply for project funding alone



Eligibility Requirements

- Eligible applicants include:
 - Cities
 - Counties
 - Cohorts led by Cities/Counties
 - Tribal Nations
- Eligible policy costs include:
 - Outreach and engagement costs
 - Technical analysis to support policy adoption
 - Consultant or facilitator support for the above

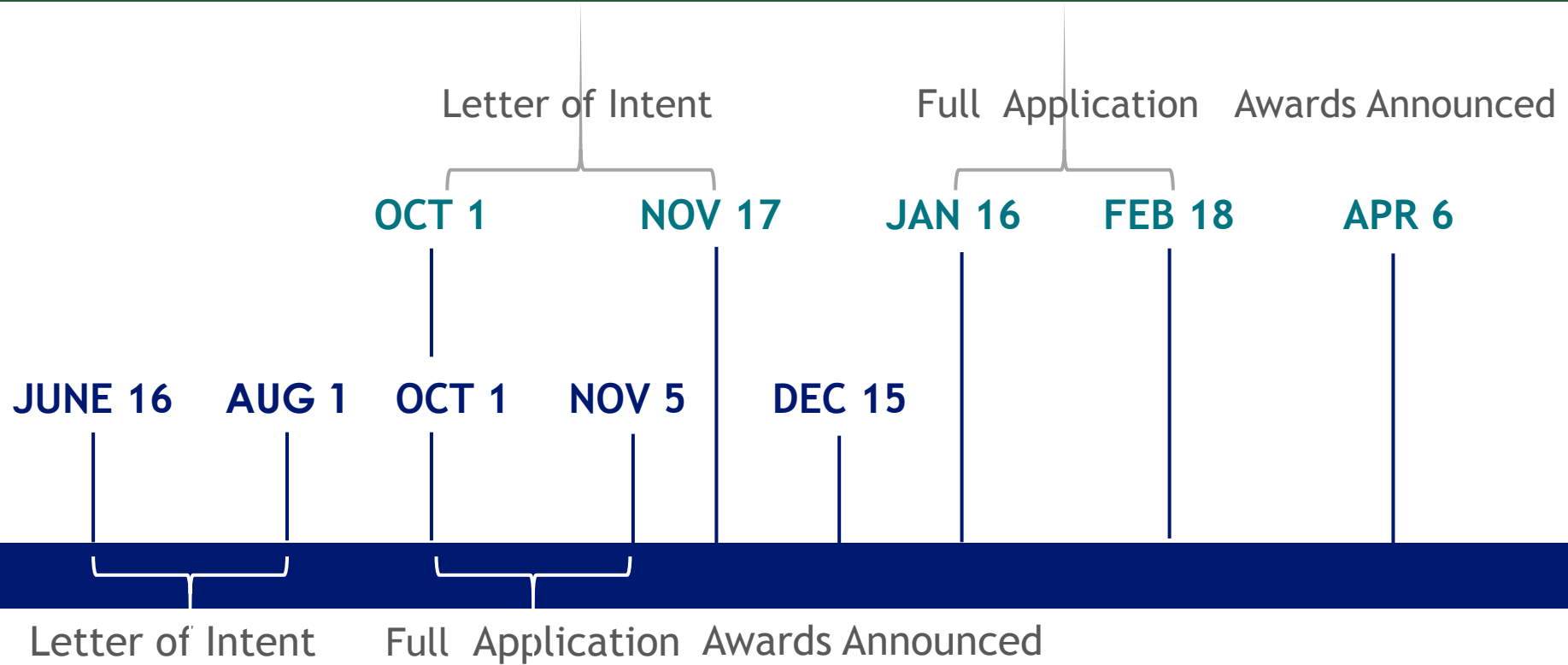


Application Process

- **Step 1: Letter of Intent (LOI) submittal**
 - CEO will evaluate LOIs and may ask to meet with applicants to provide feedback or request additional information
- **Step 2: Encouraged/discouraged determination**
 - Applicants will be notified if they are encouraged or discouraged to submit a full application
 - Only encouraged LOIs are eligible to submit full applications
- **Step 3: Full Application submittal**
 - Full applications will require a letter from the highest elected body (city council or other) demonstrating support/buy-in to adopt a policy



DRAFT 2025 Timeline



Examples of Eligible Policies

- **Buildings**
 - Adopt and enforce 2021 IECC codes or establish municipal benchmarking programs
- **Land Use**
 - Update land use codes to allow ADUs, duplexes, triplexes, and townhomes as a use by right where single-family homes are allowed
- **Transportation**
 - Adopt transportation demand management or complete streets policies
- **Waste**
 - Adopt policies to reduce waste and increase diversion rates (universal recycling or organics, pay-as-you-throw, etc)

***Full program guidance will be available on June 2nd**

Thank You!

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