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## Energy Outreach Colorado

### A nonprofit hub for energy assistance



Energy Outreach Colorado (EOC)—an independent nonprofit organization created by the State of Colorado—is a one-stop shop for low-income energy services in the state. EOC has developed partnerships with a variety of organizations across Colorado, leveraged multiple funding sources, and created new and expanded programs to address gaps in low-income energy assistance. As of 2015, EOC has saved low-income utility customers 226,000 dekatherms of natural gas and 19.2 million kilowatt-hours (kWh) through its affordable housing programs, nonprofit programs, and residential programs.<sup>1</sup> Together, the natural gas and electricity savings have avoided nearly 28,000 metric tons of greenhouse gas emissions, equivalent to the annual energy-related emissions of 2,500 American homes.<sup>2</sup>

EOC manages the following affordable energy services for low-income Coloradans:

- Energy efficiency upgrades, including home weatherization and emergency home furnace repair;
- Consumer energy education and behavior change outreach;
- Energy efficiency grants for nonprofit organizations and multifamily affordable housing;
- Advocacy for affordable energy policies in Colorado; and
- Energy bill payment assistance.

EOC manages these services together to simplify and streamline the energy assistance process for low-income residents, allowing it to reach households that may otherwise not receive service. In addition, with its centralized role in managing most low-income energy services in the state, EOC is able to represent the needs of low-income citizens in the development of new or modified energy policies.

#### Fast Facts

**Program scope:** Offers a centralized hub for a wide range of low-income energy efficiency services and acts as an advocate for affordable energy policies throughout Colorado.

**Budget:** Total expenses in 2014–2015: \$24 million.

**Staff:** Approximately 20 people.

**Communities served:** Low-income single family and multifamily households and nonprofit organizations in Colorado.

**Key partners:** State and local energy agencies, housing agencies, social service organizations, electric and natural gas utilities, HVAC contractors network.

## Making It Happen

EOC was created as a new organization through a governor's executive order in 1989, primarily in response to uncertainties about future federal funding for the Low Income Home Energy Assistance Program (LIHEAP). To address the need for secure funding as well as a desire to expand low-income energy services beyond LIHEAP and the federal Weatherization Assistance Program, a governor-appointed commission created EOC as a centralized nonprofit organization that would be able to raise private funds. The governor and legislature transferred existing low-income utility programs, along with their associated funding, to EOC. EOC then raised additional funds from corporate, foundation, and individual donors, and successfully advocated for legislation that would allow it to receive funding through utility bill insert donations and utility fines and settlements.

EOC helps low-income residents save money and reduce energy use through the services described below.

### Affordable Multifamily Housing

With 40 percent of the state's low-income population living in multifamily buildings<sup>1</sup> and the existing weatherization program covering primarily single-family homes, EOC launched two programs to deliver energy efficiency upgrades and grants to multifamily affordable housing facilities:

- 1) The state and federally funded **Affordable Housing Weatherization Program** serves affordable multifamily housing properties across the state that have 5 or more units, are centrally heated, and where 66 percent of the residents are at or below 200 percent of the federal poverty level. Participating buildings undergo a comprehensive energy audit and receive efficiency upgrades such as wall and floor insulation, efficient lighting, and heating system improvements.
- 2) The **Affordable Housing Energy Rebate Program** offers grants for multifamily affordable housing facilities to increase the energy efficiency, health and safety, and comfort of housing for income-qualified individuals. In the City and County of Denver, funding is provided through the Denver Office of Strategic Partnerships and through utility companies for other locales.



## Assistance for Nonprofit Organizations

In working with its community-based organization partners, EOC learned that some were struggling to pay their own utility bills and lacked capital to make energy efficiency upgrades to their buildings. This led EOC to develop a **Nonprofit Energy Efficiency Program**, under which EOC acts as a general contractor and offers facility energy efficiency grants to nonprofit organizations serving low-income individuals and families. The program's goal is to reduce nonprofit organizations' energy costs so they can allocate more of their operating budgets to community services. EOC gives priority to facilities with high energy demands, such as shelters, safe houses, and residential treatment centers. Funding is provided through the City of Denver's Office of Strategic Partnerships for nonprofits in the City and County of Denver, and from utility partners for organizations located elsewhere in the state.

## CARE Program

EOC created the **Colorado Affordable Residential Energy (CARE)** program to serve the many low-income Coloradans who live and work in high-priced mountain and resort areas but are ineligible for LIHEAP or weatherization assistance because they don't meet the strict income limitations, or because their home received weatherization assistance after September 1994. EOC partners with regional energy resource centers and utilities in specific counties and leverages utility funding and local resources to provide energy efficiency services to qualifying individuals. Depending on the situation, these services may include air sealing, attic insulation, wall insulation, crawl space insulation, furnace/boiler replacement, refrigerator replacement, and other measures.

## Crisis Intervention Program

In 2012, EOC took over the federally funded **Crisis Intervention Program**, which provides free repair or replacement of home furnaces or boilers with more efficient units. Prior to EOC's involvement, customers could only call for help during normal weekday business hours. EOC established statewide call centers open 24 hours a day, 7 days a week, and expanded its network of energy services contractors to ensure that customers could be immediately connected to a contractor within their ZIP code. These changes resulted in a doubling of the number of clients served each year, leading the state to direct more federal funding to the program.



## Energy Education and Behavior Change

In addition to providing a variety of fact sheets with energy tips for consumers, EOC operates the **Energy Behavior Change Program**, which educates and motivates tenants of affordable housing and nonprofit facilities, as well as recipients of energy assistance, to become smarter energy consumers. The program offers workshops, presentations, and facilitation of in-house energy behavior programs to qualified organizations that represent a vulnerable community or serve low-income individuals.

### Other Services

In addition to the energy efficiency programs described above, EOC provides bill assistance services to low-income residents. EOC has expanded the basic assistance offered with federal LIHEAP funding by raising supplemental funds through donors to offer year-round assistance, cover additional energy needs beyond heating fuels, and avoid power shutoffs. EOC also initiated a **Percent of Income Program** that limits the required amount a qualified low-income household pays each month for utility service to a reasonably affordable prorated percentage of the household's annual income.

## Key Partners

While EOC considers all its partners important to its success, utilities and contractors have contributed particularly critical benefits.

EOC's network of electric, natural gas, and municipal utilities ensures a local presence while contributing to EOC's efforts to provide whole-house services. Natural gas is the primary fuel source for heating in Colorado, and natural gas and electricity are typically provided by separate utilities. Because EOC's programs partner with both types of utilities, homes receive coordinated and more comprehensive energy upgrades.

With a statewide network of approximately 500 large and small energy services contractors, EOC has a local presence everywhere that its programs operate. EOC began developing its contractor network in 2007 and considers the partnerships critical to its success—in part because the model allows work to be cost-effectively ramped up and down based on demand and funding. In addition, with the closing of utility service centers and the shift to remote meter reading, contractors are often the only people with whom low-income residents can discuss their energy problems face to face. Contractors are located throughout the state, and residents can reach them for emergencies directly through the 24/7 call centers.



## Funding Sources

By leveraging the multiple funding sources listed below, EOC has been able to develop and sustain a wide variety of programs:

### Energy Efficiency Projects

- Utility demand-side management contracts
- Colorado Energy Office Weatherization Program funds for multifamily buildings
- LIHEAP funding supplemented with grants from utilities and nonprofit groups to fund the Crisis Intervention Program
- City and County of Denver funding for the multifamily and nonprofit energy efficiency programs in those jurisdictions
- Voluntary contributions from oil and gas producers
- Individual, corporate, and foundation donors

### Education and Advocacy

- Contracts with affordable housing developers and housing authorities
- Utility-funded resident engagement programs
- Individual, corporate, and foundation donors

## Achievements

Since it began its programs in 1989, EOC has helped many low-income Colorado families improve their energy security, lower their energy bills, and improve comfort and safety. Highlights of recent achievements are summarized below.

- As of 2015, EOC has helped avoid nearly 28,000 metric tons of greenhouse gas emissions through its energy efficiency programs, equivalent to the annual energy-related emissions of 2,500 average American homes.<sup>2</sup>
- The Affordable Housing Energy Efficiency Program weatherized 35,000 affordable-housing apartments, and EOC has distributed \$35 million for affordable housing energy efficiency grants since its inception in 2008.<sup>1</sup>
- EOC's Nonprofit Energy Efficiency Program has distributed \$15 million to weatherize 275 nonprofit facilities and reduce their energy costs since it began in 2007.<sup>1</sup>
- 1,888 households received free repair or replacement of their home furnace or boiler through the Crisis Intervention Program in 2014–15.<sup>3</sup>



- Since implementing its energy use behavior change programs, EOC has helped recipient organizations save hundreds of thousands of dollars in energy costs while reducing nonprofit sales tax payments, utility billing errors, and demand rate payments.<sup>1</sup>
- Since 1989, EOC has raised \$250 million for energy efficiency upgrades and bill payment assistance for affordable housing and nonprofit facilities.<sup>1</sup>
- In 2014–15, over 22,500 low-income households received \$9.3 million in energy bill payment assistance (equivalent to over \$400 per household on average) through more than 100 EOC-funded organizations across the state.<sup>3</sup>

## Keys to Success

EOC staff identified the following program strategies as especially important to its success in creating an effective hub for low-income energy services:

- **Leveraging funding.** With seed money, EOC was able to attract a wide range of funding from public and private sources, primarily by recognizing assistance gaps, establishing key partnerships, and advocating for low-income energy services.
- **Understanding funders' objectives.** EOC focuses on understanding the objectives and interests of its many funders while keeping its low-income clients' needs first. The CARE program is an example of how the shared goals of EOC and the participating utilities came together to help low-income residents.
- **Creating a network of quality contractors.** EOC manages projects in-house, but subcontracts the implementation of energy efficiency improvements to a wide network of specialized contractors. This keeps administrative and insurance costs low and eliminates the need to hire and then lay off employees.
- **Establishing a quality assurance and quality control process.** EOC provides oversight and performs on-site inspections of all projects under its multifamily weatherization and nonprofit energy efficiency programs, offers training to contractors on requirements and standards, and monitors energy bill savings on projects to ensure they match expectations. These and other quality assurance activities help EOC ensure that its programs are achieving their intended benefits for low-income households.



- **Advocating for low-income residents.** EOC participates in rate cases and Colorado legislation to advocate for the needs of low-income households. It has intervened in Public Utility Commission dockets and employs a full-time advocate.
- **Tracking and reporting results.** EOC has been able to make program adjustments by using a central database to track and report results, such as reductions in energy use and utility bill savings. Measurement and verification of energy savings and program outcomes are critical for future investment, and EOC is working to improve its ability in this area.
- **Continuously evaluating and improving.** By following a process of continuous improvement, EOC is able to recognize when changes and adjustments to programs need to occur. The Nonprofit Energy Efficiency Program is one example of a program established to fill an identified gap.

## Replication and Sustainability Tips

EOC noted these specific approaches as ones other organizations might follow to create, implement, and sustain a similar program within their particular context:

- **Establish a legal presence.** Few low-income advocates have a seat at the table when major decisions are made at the state or utility level (e.g., rate cases). EOC is able to advocate for its clients and intervene on their behalf in those cases by having dedicated staff positions for this work as well as hiring attorneys and expert witnesses.
- **Join in other stakeholder coalitions.** EOC participates in a number of state and national associations, including Housing Colorado (the Colorado branch of the National Low Income Housing Coalition), anti-poverty networks, Area Agencies on Aging, homeless prevention groups, earned income tax credit advocates, anti-hunger coalitions, and others. Participation in these groups provides EOC with additional opportunities to serve the energy interests of low-income households.
- **Meet face to face.** Meeting with clients and service providers in person rather than via telephone or email communication ensures that EOC understands issues and challenges across the state's diverse communities and can make appropriate program adjustments to ensure that all energy consumers are being served.





- **Develop relationships with utility and public sector partners.** Regulatory and legislative negotiations require trust. EOC has successfully reached common ground by taking the time and effort to build mutually beneficial relationships.
- **Be transparent in all activities, from reporting outcomes to financial reporting.** EOC believes it is critical to be transparent, especially because it receives public funds. A commitment to transparency contributes significantly to its long-term success.

## For More Information

- Energy Outreach Colorado website: <http://www.energyoutreach.org/>

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<sup>1</sup> Personal communication with Jennifer Gremmert, Energy Outreach Colorado, 2016.

<sup>2</sup> Greenhouse gas emission reductions estimated by EPA using the regional non-baseload electricity emissions factor from eGRID. Equivalency calculated with EPA's [Greenhouse Gas Equivalencies Calculator](#).

<sup>3</sup> Energy Outreach Colorado, 2016. EOC Annual Report, 2015. Available at <http://www.energyoutreach.org/about/annual-financial-reports>.