



DRCOG's climate pollution reduction grant

DRCOG Board Work Session | August 7, 2024



DRCOG was awarded \$199.7 million from the Environmental Protection Agency's Climate Pollution Reduction Program!

DRCOG's climate pollution reduction grant

- [The DRCOG Board voted unanimously to pursue the grant during their January 17, 2024 meeting.](#)
- The grant will fund a **regional building decarbonization program** over a five-year period.
- Over 47% of funds will be focused on low-income and disadvantaged communities.
- One of 25 projects selected out of 300 applications nationwide.
- The Colorado Energy Office was also awarded \$129 million for methane capture and a Local Government Climate Action Accelerator Program.

Transformative impact of this program

- Buildings account for 52% of end-use greenhouse gas emissions in the Denver region.
- While technology solutions exist, **barriers to adoption** include:
 - Residents and building owners have limited knowledge of electric appliance options.
 - Significant deficiencies in workforce and contractor readiness.
 - Higher upfront costs to achieve long-term cost and emissions savings.
- This program will create a **market transformation** in the building efficiency and electrification space by addressing these barriers holistically.

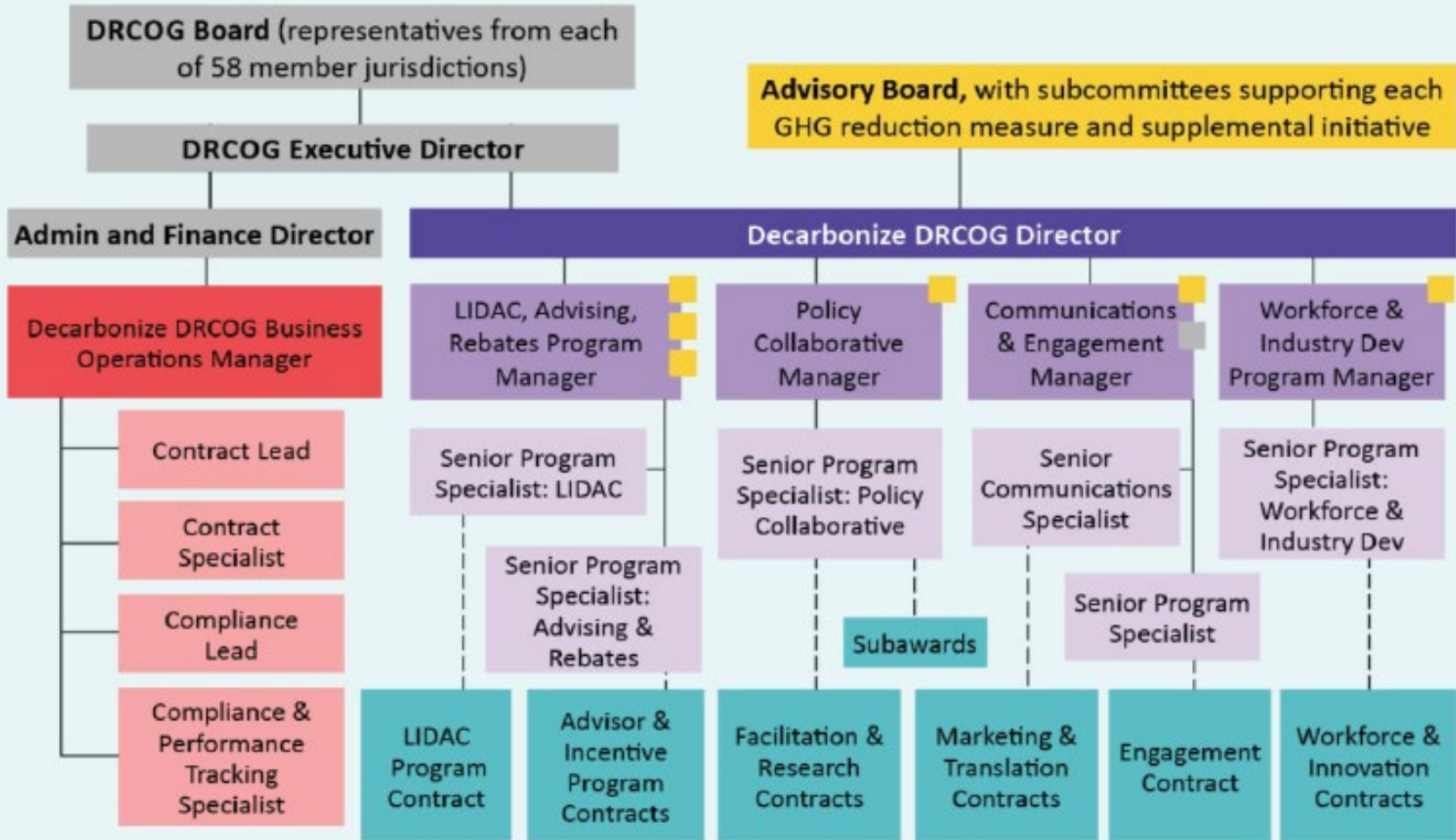
The program will:

- **Cut 148,200,000 metric tons of carbon dioxide** by 2050.
 - The equivalent of taking 35 million gas-powered cars off the road for an entire year.
- **Train 4,800-plus workers** for the electrification workforce, including 1,000 upskilled workers.
- **Engage 1.6 million Coloradans** in the benefits of building efficiency and electrification through a public awareness campaign.

Proposed budget

Program administration, communications and marketing	\$32,478,705	16%	Over 1.6 million people engaged
Low-income and disadvantaged communities decarbonization	\$48,106,435	24%	1,600 residences retrofit
Energy advising services	\$17,463,443	9%	Over 50,000 clients advised
Rebates and Incentives	\$43,063,443	22%	Over 40,000 rebates issued
Building policy collaborative	\$39,209,385	20%	58 jurisdictions supported
Workforce and industry development	\$19,384,385	10%	4,800 workers trained
Total CPRG Funds	\$199,705,797	100%	
<i>In-kind local staff time</i>	<i>\$3,008,343</i>		<i>5.1 full-time equivalent</i>
<i>Leveraged funds</i>	<i>\$70,250,000</i>		<i>Committed by Denver, Boulder and Boulder County</i>

Draft organizational chart



■ Advisory Bodies
 ■ Existing DRCOG Staff
 ■ Operations & Finance Staff
 ■ Program Staff
 ■ Contracts

† DRCOG Communications and Marketing Director will collaborate with *Decarbonize DRCOG* Communications and Engagement Manager

- 16 new DRCOG staff
- An Advisory Board and working groups
- 12 new contracts acquired through RFPs



Engagement

\$4 million contract

- **Distribute ~\$50,000 subawards** to 50-80 community-based organizations that participate in an advisory capacity, create connections to the community, or join a referral network.
- Participation incentives for engagement events and stipends for Advisory Board participation.
- Easily accessible translation and interpretation services.
- Language- and culturally-diverse collateral design and advertisement placement.



Communications and marketing

\$15 million contract

- **Create a public awareness campaign** about the benefits of building efficiency and electrification
- **Motivate the public to participate.**
- Public relations and marketing strategy.
- Coordinated brand and communications campaign that integrates universal design principles.
- Customizable content toolkits for local stakeholders.
- Research, advertising, website development, surveys, education and evaluation.

Low-income and disadvantaged communities building decarbonization

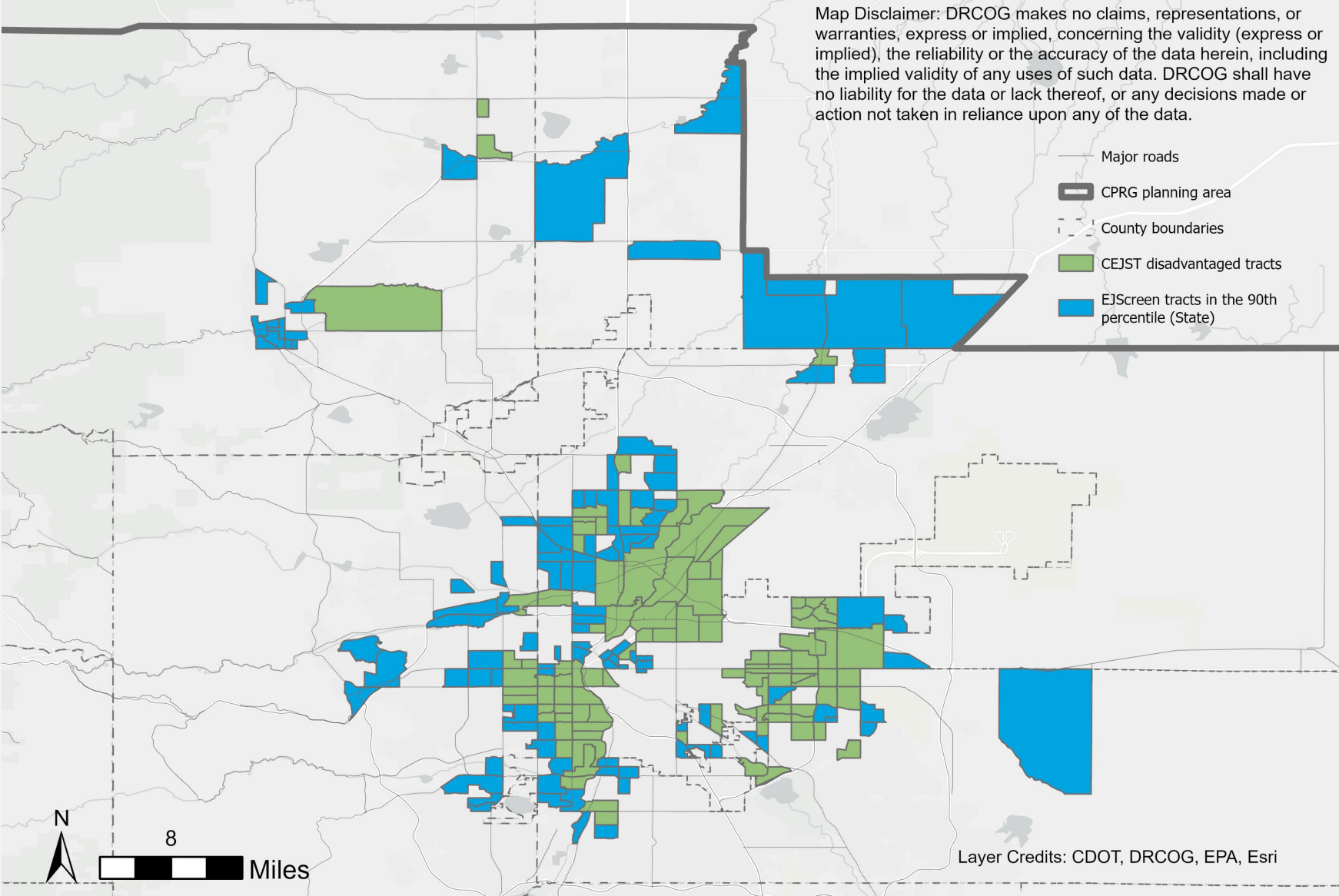
\$47.1 million



- \$40 million for **free building decarbonization services** for low-income and disadvantaged community members.
 - Evaluation, design and installation of increased building efficiency, appliance replacement, and required building upgrades.
 - 1,067 multifamily units at an average of \$22,500/unit.
 - 533 single family units at an average of \$30,000/unit.
- \$7.1 million administration contract
 - Resident engagement, audits, retrofits, support services, and wrap-around assistance.



EPA-identified low-income and disadvantaged communities





Energy advising services

\$17 million contract

- Free, data-driven, client-focused, and vendor-neutral advising to **guide residential, multifamily, and commercial building owners through decarbonization.**
 - Advise 34,000 residential units at \$225 per unit.
 - Advise 5,800 commercial buildings at \$1,300 per unit.
- Assist in identifying project needs, review assessments, and oversee project completion.
- Website development and virtual tools.



Rebates and incentives

\$42.6 million

- **\$40 million in direct rebates** for residential, multi-family and commercial building decarbonization
 - Incentive levels will be based on community engagement and best practice research.
 - Equitable distribution based on income levels and market conditions will also be considered.
- **\$2.6 million contract to administer rebates.**
 - Includes processing, verification, auditing, portal management, and reporting.

Building policy collaborative

\$38.4 million



- **\$34.8 million in subawards to DRCOG's member governments.**
 - Direct staff capacity (internal or contracted).
 - Permitting process and applicant support.
 - Inspection and enforcement.
 - Systems administration.
 - Strategic policy advancement and collaborative work.
 - ...and more
- \$2.6 million contract for regional policy network facilitation.
 - Coordination, stakeholder engagement, attending community councils, preparing materials, maintaining databases, and composing proposals.
- \$1 million contract to perform specialized work on behalf of peer-to-peer policy workgroups.

Innovation Pilot Programs

\$6 million



- Award an average of **\$200,000 per subaward to entrepreneurial businesses and technologies** with high potential to accelerate electrification and energy efficiency adoption.
 - Average of 5 selections per year for 5 years.
 - Demonstrate scalable solutions to key market barriers via regional pilot projects.
 - Inform decarbonization decision-making with public data, analyses, and case studies.
- Target small businesses, especially ones that are minority- and women-owned.



Green Workforce Hubs

\$5.2 million

- Contract with regional workforce centers to offer:
 - Building decarbonization training.
 - Host green career coaches.
 - Recruit and place job seekers.
- Includes stipends to reduce barriers to participation and employment.
- 720 individuals trained annually.

Contractor Navigation Hub

\$4.5 million contract



- **Business development support**, especially for minority- and women-owned businesses.
- Training in rebate navigation, sales, licensure, code compliance, permitting and business skill-building.
- 240 individuals trained annually, including wrap-around services and participant stipends.

Renewable Access Programs (RAP)

\$2.8 million in contracts



- Reentry Renewables Access Program:
 - Job training in building decarbonization to incarcerated individuals prior to their release.
- Multicultural Renewables Access Program:
 - Workforce programs run by equity-centered community organizations delivering job training to multicultural communities.
- Youth Renewables Access Program:
 - Decarbonization trades and hands on training for youth.
 - Focus on youth considered “at-risk” due to gang exposure, juvenile record, or living below the poverty line.

Additional support

- Front Range Beneficial Electrification Network (FRBEN) support.
- Xcel Energy's Clean Heat Plan- \$440 million from June 2024 to 2027, primarily for building electrification and energy efficiency measures.
- Denver, Boulder County and City of Boulder have pledged 5.1 combined full-time equivalent of personnel time over the 5-year program.

Next steps

- August Finance and Budget Committee- Authorize DRCOG to negotiate the contract with the US Environmental Protection Agency.
- Contracting with US Environmental Protection Agency
- Job description and Request for Proposal development
- September Board- Updates and potential action item.

Thank you!

Robert Spotts

Program Manager

303-480-5626

rspotts@drcog.org

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