



Denver Regional Council of Governments
1001 17th Street, Suite 700 Denver, CO 80202

Innovation Pilot Program Policy



Introduction

The Innovation Pilot Program is a competitive grant program within Power Ahead Colorado that funds targeted pilot projects testing new approaches to reducing the structural, financial, and operational barriers limiting adoption of efficient electric equipment in buildings across the Denver region. Funded pilots are expected to generate practical, scalable insights that strengthen Power Ahead Colorado's broader programs and those of its partner agencies.

This policy establishes the parameters for the Innovation Pilot Program, including program goals, eligible applicants and uses, award structure, evaluation criteria, and the approval and post-award processes.

Program Goals

The Innovation Pilot Program seeks to:

- Fund targeted, community-driven pilots that test new approaches to building electrification.
- Generate actionable, replicable insights that inform broader Power Ahead Colorado programs.
- Prioritize approaches addressing market barriers for which no dedicated funding mechanism currently exists.
- Advance equitable access to clean, efficient buildings, with particular focus on communities facing financial or structural barriers.

Program Objectives

- Provide best-in-class program experience and customer service.
- Program awards fund transformative projects leading market transformation with actionable lessons for policymakers by 2029 and high potential for energy use reduction, utility cost reduction, or pollution reduction by 2050.
- The program reaches applicants that represent industry and community across the DRCOG region and will drive results for Coloradans by 2030.



Eligible Applicants

Eligible lead applicants include:

- Registered non-profit organizations, including community-based organizations and 501(c) entities.
- Private companies and for-profit businesses.
- Public or quasi-public entities such as human services providers, municipal utilities, electric cooperatives, public authorities, and special districts.
- Educational institutions, including training centers, school districts, colleges, universities, and trade schools.
- Other entity types, as specified by the applicant, provided they meet eligibility requirements.

To avoid overlap with other Power Ahead Colorado funding streams, state agencies and local government entities will not be able to apply as lead applicants for Innovation Pilot Program grants. However, they may participate as partners, subcontractors, or supporters within a project team.

Applicants may submit joint proposals. In these cases, one entity must be identified as the lead applicant and will be responsible for contracting, compliance, and overall project delivery.

To be eligible, applicants must:

- Be registered to operate in Colorado and provide proof of insurance consistent with program requirements.
- Provide documentation of organizational status prior to award (e.g., IRS 501(c)(3) determination, Colorado Secretary of State letter of good standing, and insurance documentation, etc.).
- Agree to the Program Terms and Conditions and other applicable requirements to receive federal funding from the Program Administrator on behalf of DRCOG.
- Certify that they are not suspended, debarred, or otherwise ineligible to receive federal funds.



Eligible Pilot Locations

Pilots must occur within the territories of DRCOG member governments. Proposals serving communities identified as facing higher environmental and economic burden under Colorado EnviroScreen 2.0 are strongly encouraged. The program administrator will endeavor to award at least 40% of program funds to organizations directly serving or based in those communities.

Eligible Pilot Types and Focus Areas

Any proposal that advances efficient electric technologies in buildings, primarily heat pump technologies, is eligible. The program prioritizes pilots that address persistent market barriers to electrification and can demonstrate a credible pathway to scale across the region.

Eligible pilots may include new delivery models, field demonstrations of commercially available or near-commercial technologies, and applied research tied to real-world implementation.

Projects must demonstrate relevance beyond a single property and generate insights applicable across broader building types or market segments.

Activities that remain in pre-commercial stages, such as basic research, prototype development, or laboratory-stage research and development, are not eligible. Projects focused solely on single-property retrofits without broader applicability are also not eligible.

Round one of awards will be selected based on four focus tracks for funding:

Track 1: Making Electrification Easier to Deliver

How might we reduce the time, cost, and complexity for a tenant, business, or homeowner?

What success can look like:

- A simpler, predictable experience for customers and contractors.
- Faster projects or meaningful reductions in soft costs.
- Higher completion rates, including for harder-to-reach groups.
- A model repeatable across different communities and jurisdictions.



Track 2: Demand Flexibility and Technical Performance

How might we support affordable and easy-to-deliver electrification projects in service of customer, contractor, and system benefits?

What success can look like:

- Lower upfront or operating costs for customers without reducing comfort or service.
- Measurable system benefits such as reduced peak demand, improved load flexibility, or avoided infrastructure upgrades.
- Clear tools and practices that help contractors size, select, and commission equipment with confidence.
- Practical, replicable approaches to electrification under a variety of building or system conditions.

Track 3: Coordinated Deployment and Planning Strategies

How might we identify the places, properties, or portfolios where electrification can move faster, cost less, or reach more people at once?

What success can look like:

- Clearer ways to identify and convert good candidates for near-term electrification.
- Reduced fragmentation across upgrades and fewer project handoffs.
- Practical, replicable community-, neighborhood-, or portfolio-scale approaches.

Track 4: Expanding Access, Health, and Trusted Delivery

How might we increase access to clean, healthy, and efficient buildings for all households, especially those facing financial or structural barriers?

What success can look like:

- Increased participation among priority populations such as renters or residents of manufactured housing.
- More accessible financing or capital pathways for low-income or credit-constrained households.



- Outreach and engagement strategies that utilize trusted messengers and culturally relevant approaches.
- Practical methods to define and incorporate non-energy benefits such as health, safety, comfort, or resilience.

Award Structure

Applicants may request up to \$350,000 per application. Awards are expected to average approximately \$200,000. Applicants are encouraged to request only what is necessary to deliver their proposed pilot. The total program budget and maximum number of award selections will be established in each Request for Applications (RFA).

Eligible costs include, but are not limited to, equipment and materials, staff and labor time, communications and translation costs, case study development, and dissemination of project learnings. There are no categorical cost restrictions; proposals will be evaluated on the competitiveness and clarity of their budgets.

Pilots are expected to launch in Fall 2026 and run for approximately 12–16 months. Applicants are encouraged but not required to include matching funds or in-kind contributions.

Application Process

A Request for Applications (RFA) will be issued by DRCOG. VEIC, the Power Ahead Colorado vendor administering the Innovation Pilot Program, will manage the application and evaluation process in consultation with DRCOG staff.

Applications must include:

- Applicant organization and contact information.
- Project description and selected track (from the four tracks described above), including the barrier addressed, proposed approach, target population, and key activities.
- Expected outcomes and a high-level project timeline.
- Project budget, including any leveraged or matching funds.
- Description of team qualifications and relevant experience.
- Supporting materials and references.



Evaluation Criteria

Each proposal will be reviewed and scored independently by at least two evaluators at VEIC including relevant Subject Matter Experts. Evaluators will then convene to compare scores and reach consensus. Finalist applicants will participate in a short interview of approximately 20 minutes before final recommendations are made.

Each criterion below is scored on a scale of 0–5, multiplied by its weight, and totaled to produce a weighted average score.

Category	Description	Scoring Weight
Project Scope and Problem Framing	Evaluates how clearly the applicant describes the problem, who is affected, and the conditions in which the issue appears today. Considers whether the project focuses on a meaningful barrier to electrification in residential, multifamily, or commercial building markets and aligns with the program’s priorities.	10%
Innovation	Examines the extent to which the project introduces new or significantly improved approaches, tools, partnerships, or delivery models. Also considers whether the effort is likely to generate practical insights that could improve customer or contractor experience, inform future program design, or advance electrification across the region.	20%
Replicability and Scalability	Considers how well elements of the project could transfer or expand to other communities, markets, or contexts within the DRCOG region. Focuses on the potential for broader application beyond the initial pilot.	15%
Feasibility and Budget	Assesses whether the proposed activities are realistic within the grant period and supported by a clear, coherent plan. Evaluates the budget for clarity,	30%



	appropriateness, alignment with activities, and overall ability to deliver the expected results.	
Qualifications	Reviews the applicant’s experience and capacity to implement the work effectively. Takes into account the team’s relevant technical skills, organizational strengths, and any prior work with the communities, partners, or technologies involved.	15%
Potential for Equitable Market Transformation	Considers how the project will have the potential to benefit populations historically underserved by clean-energy programs and the strength of the proposed approach to engaging those communities in a meaningful, thoughtful way.	10%

Approval Process

VEIC will develop a funding recommendation consisting of a ranked list of projects whose total requested amounts do not exceed available funds, along with a ranked wait list of projects that could be funded if additional resources become available.

The recommendation will be presented to a selection panel consisting of DRCOG staff and external stakeholders, such as local government representatives and other regional partners, who will then review the scored applications and develop a funding recommendation for consideration by the Power Ahead Colorado Technical Committee, Oversight Committee, and the DRCOG Board of Directors. Information provided by the Program Administrator shall include an overview of all applications, preliminary scoring with justification, recommended selections, and any other notable information from application materials. DRCOG staff may provide additional input, suggestions, or request more information on any application or scoring from the Program Administrator.

If additional funding becomes available through project cancellations or return of unused funds, wait-listed applicants will be contacted in rank order. The wait list applies only to the funding cycle in which it is created; projects do not carry forward automatically to future cycles.



Post-Award Requirements

Award Notification

Following Board action, VEIC will notify selected applicants of their award amount, next steps, and primary VEIC and DRCOG contacts for ongoing coordination.

Contracting

Selected organizations will enter into a contract with VEIC. The scope submitted in the application will define the contract scope. All reimbursable activities must be explicitly listed in the contract to qualify for reimbursement.

Project Monitoring

VEIC will monitor milestone completion throughout implementation with progress reported to DRCOG at regular intervals. If a milestone is at risk, VEIC will work with the grant recipient and DRCOG staff to understand the cause. If delays threaten project objectives, VEIC will develop an action plan enforceable by VEIC and reported to DRCOG. Failure to follow the action plan may result in early termination of the grant agreement.

Scope Changes

Changes to project scope require prior approval from VEIC, in consultation with DRCOG staff. Minor additions within the existing budget may not require a formal contract modification. Requests for additional funding due to cost increases or scope expansion are not eligible; the grant recipient is responsible for securing any additional funds from outside the Innovation Pilot Program.

