



Innovation Pilot Grant Program

Oversight Committee Meeting - September 12, 2025

DRCOG innovation pilot program (\$6 Million)

- Award an average of **\$200,000 per subaward** to entrepreneurial businesses, technologies, community-based organizations with high potential to accelerate electrification and energy efficiency adoption and bust barriers to service delivery.
 - 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, novel approaches and community-driven innovations
- Technical Committee will participate in grant criteria development and award selection process.



Program Inspiration – TECH Clean Quick Start Grants



- Launched under the **TECH Clean California Initiative**.
- Aims to **accelerate adoption of clean space and water heating technologies** in California homes.
- Supports **building decarbonization** through pilot programs that test scalable solutions.
- Focuses on **overcoming market barriers** to heat pump adoption.
- Operated from **July 2021 to December 2024**, awarding **\$3.85 million** to **19 projects**

TECH CLEAN quick start case studies



AESC— Modelling Heat Pump Water Heaters in Manufactured Housing

- **Objective:** Model replacement of gas water heaters with heat pump models in disadvantaged manufactured housing communities.
- **Approach:** Evaluated HPWHs in 10 homes, re: energy savings, comfort, and cost impacts.
- **Impact:** Demonstrated savings potential of upgrading water heaters in manufactured housing state-wide

350 Bay Area – Fast-Path Heat Pump Deployment

- **Objective:** Rapidly deploy heat pumps in pollution-burdened communities.
- **Approach:** Deployed temporary heating, cooling and air cleaning to test a faster approach. Guaranteed long-term support.
- **Impact:** Reduced natural gas use and improved indoor air quality in vulnerable households included in the program. Identified several barriers to deploying similar approaches at scale.



Bright Power – Utility Allowance Reform

- **Objective:** Align utility allowances with electrification goals in affordable housing.
- **Approach:** Installed 101 PTAC heat pumps and 1 central heat pump water heater. Modelled utility allowances and led participant surveys.
- **Impact:** Developed recommendations to ensure utility allowances align with state goals for heat pumps.



Barnett Plumbing – Emergency Water Heater Loaner Program

- **Objective:** Enable more households to switch to heat pump water heaters during emergency replacements.
- **Approach:** Provided free temporary gas water heaters to customers while they completed electrical upgrades.
- **Impact:** Pilot successfully demonstrated barriers to emergency replacement can be reduced.

Help us start to think through the grant criteria.

- “How might we make sure broken water heaters are replaced by Heat Pump Water Heaters?”
- “How might we incentivize weatherization prior to heat pump installation?”
- "How might we demonstrate to consumers that Cold Climate Heat Pumps work in all areas of Colorado?"

Input for DRCOG's Innovation Pilot
Grant Program



Thank you!

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