POWER AHEAD COLORADO
A Program of DRCOG

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

Power Ahead Colorado Incentive Policy

PowerAheadColorado.org

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Program purpose and goals

The purpose of this policy is to establish the framework by which the Denver Regional Council of Governments (DRCOG), through the Power Ahead Colorado program, will allocate and administer $40 million of financial incentives to:

- Increase market demand for high-efficiency, electric building technologies across the DRCOG region by reducing upfront installation costs and improving affordability for property owners.
- Expand and elevate contractor participation by incentivizing high-quality, code-compliant installations and advanced commissioning of electric equipment and supporting long-term market capacity for building electrification.

Eligible participants

Participants eligible for incentives under this policy must be located in the DRCOG region and include:

- Residential property owners and renters.
- Multifamily and commercial building owners and tenants.
- Contractors and service providers installing electric appliances.
- Distributors stocking and selling electric appliances to professional installers.

Participation will be subject to application criteria established through DRCOG administrative procedures.

Regional Equity

DRCOG staff will actively monitor program participation by county and sub-regional geography to promote broad and equitable participation across the DRCOG region. Tools that may be used to support balanced participation include:

- Targeted marketing and community engagement.
- County-level funding caps.
- Targeted, enhanced incentives.

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Eligible project types and incentive ranges

This policy defines broad incentive ranges that will be specifically defined and published through an administrative process outlined in the next section.

DRCOG acknowledges that market conditions, such as technology cost trends, supply chain volatility, economic conditions, and utility incentives, may materially affect the effectiveness and fairness of fixed rebate levels. There may be instances where DRCOG needs to rapidly change the amount offered quickly to react to market conditions.

The proposed ranges are outlined in the table below:

Measure	Description	Equipment Requirements	Incentive Range
Cold Climate Air Source Heat Pump	Ducted or non-ducted split system heat pump for space heating and cooling of residential or commercial buildings	Meets or exceed efficiency and heating performance specifications	$300 - $3,000 per unit
Heat Pump Water Heater	Efficient all-electric heat pump water heater for domestic hot water heating in commercial or residential buildings	Meets or exceeds efficiency and demand response specifications	$300 - $2,500 per unit
Quality Installation and Commissioning Contractor Incentive	Incentive for advanced commissioning and quality installation of heat pump measures.	Completes and documents install and commissioning according to industry best-practices and program requirements.	$100 – 500 per installation

Policy for changing incentive amounts

Consistent and simple incentives are important to communicate clear market signals over time. DRCOG will endeavor to avoid changing incentive amounts and structures outside of planned annual reviews of incentive amounts. However, changes in market conditions, available products or demand may require program changes on more responsive timescales. The process for updating incentive amounts will be as follows:

A. Adjustment Authority: DRCOG staff may recommend to the Executive Director to adjust incentive rebate amounts and related financial terms via a programmatic memo when justified by demonstrable market changes or policy priorities.
B. Documentation: Any adjustment shall be documented in a memo acknowledged by the Executive Director. The memo will include the rationale, data supporting the change, and an implementation timeline.
C. Board Notification: Significant adjustments, such as new equipment measures, shall be reported to the Board at its next regular meeting, and incorporated into publicly accessible program guidance.
D. Stakeholder notification: Staff will endeavor to provide 30-days or greater notice for changes to measure-level incentive amounts to program implementors.

Ongoing monitoring and reporting

Staff will report to the board with regular program updates and progress, highlighting financial performance of the incentive program, distribution of incentives and vendor key performance indicators.