

DENVERPOST.com

January 20, 2004

Xcel should offer incentives for heat conservation

Consumers and businesses in Colorado are facing skyrocketing natural gas prices this winter. With an increasing portion of our electricity generated by gas-fired power plants, electricity prices are rising, too. And with natural gas markets tight nationwide, prices are not expected to drop anytime soon.

Xcel Energy, Colorado's largest power provider, and other state electric and gas utilities are encouraging consumers to save energy by providing conservation tips and the like. This is a nice gesture, but the utilities should do much more.

In its home state of Minnesota, Xcel provides technical assistance and cash incentives to help consumers and businesses purchase efficient furnaces and water heaters and pursue other energy conservation measures. Xcel claims its conservation programs save Minnesota households and businesses more than \$200 million each year.

State legislation will soon be introduced by Rep. Betty Boyd, D-Lakewood, directing investor-owned electric and gas utilities in Colorado to initiate or expand their energy conservation programs. The Utility Energy Conservation Act would require utilities to meet a specified annual energy savings target, and to offer households some free energy-efficiency measures to help offset the impact of rising energy prices.

The goals in this legislation are reasonable; in fact, Xcel Energy already exceeds them in Minnesota. And the legislation allows utilities to earn a profit on their conservation programs, if the utility meets the energy savings goal and runs cost-effective programs.

Besides helping consumers and businesses lower their energy bills, expanding energy conservation programs will provide additional benefits to Coloradans, including reducing the need to build new power plants, increasing the reliability of our energy supply, and cutting pollutant emissions. And since gas- and coal-fired power plants consume large quantities of water in generating electricity, expanding electricity conservation programs will also save water.

It took legislation to get Xcel and other power companies to expand their energy conservation offerings in Minnesota. It will take legislation to get Xcel and other utilities to do the same here. Now is the time for the Colorado legislature to act by adopting Rep. Boyd's bill.

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