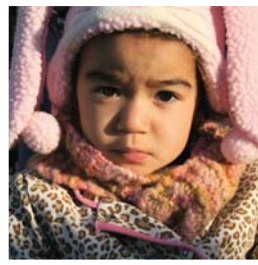


The New Reality of Colorado's Energy Affordability



REPORT TO THE COMMUNITY | NOVEMBER 2007



Energy Outreach Colorado

Helping all Coloradans afford home energy.

www.EnergyOutreach.org

Energy Outreach Colorado is the state's only independent, not-for-profit organization that raises funds for energy assistance.

We Offer Energy Assistance Through Several Programs:

Utility Bill Payments + Energy Efficiency Measures + Conservation Education + Advocacy

Utility Bill Payments For Limited Income Households.

Helped more than 110,000 households pay their energy bill last year.



Going from a family with two incomes to living off of not even half of what we had been making, I got really far behind on the bills. It seemed like there was no where to go.

– Terry M. of Greeley

Energy Efficiency Measures For Affordable Housing.

Funded the installation of energy assistance measures in more than 1,000 affordable housing units last year.

Kathy R., who received a new energy-efficient furnace: “The kind of help I needed was just too much to ask family or friends who have already given so much. With the bills piling up, I was feeling really hopeless. If I can’t keep my house, where would I go?”

Conservation Education And Outreach.

Nearly 7,000 Colorado students in 30 schools participated in last year’s Energy Hog Traveling Road Show program.



The New Reality Of Colorado's Energy Affordability: It Takes A Full Spectrum Of Programs To Help All Coloradans Afford Home Energy.

Energy Assistance = Utility Bill Payments + Energy Efficiency Measures + Conservation Education + Advocacy

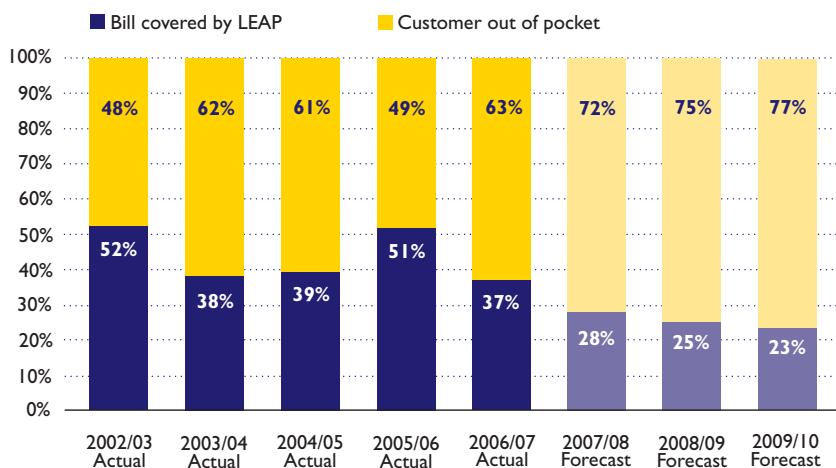
Across the state, costs for home energy, health care, child care and housing are climbing. As a result, many Colorado households are struggling to cover their basic living expenses.

Energy Outreach Colorado was established in 1989 to raise funds for energy assistance for low-income families. Today, the growing problem of energy not being affordable for many households is requiring more comprehensive solutions.

To that end, Energy Outreach Colorado is working with more than 100 partner agencies in Colorado to provide a variety of programs to help families remain safe, healthy and warm in their homes. These include utility bill payments, energy efficiency upgrades for affordable housing and non-profit residential facilities, home energy savings kits, energy conservation programs for schools and community outreach organizations, and advocating for progressive energy policies that keep energy prices affordable and new energy programs accessible for the thousands of Colorado families that we serve.

Home energy prices are volatile and steadily increasing. Government energy assistance funding is not enough. Low-income families are paying more out of their pocket for energy costs every year.

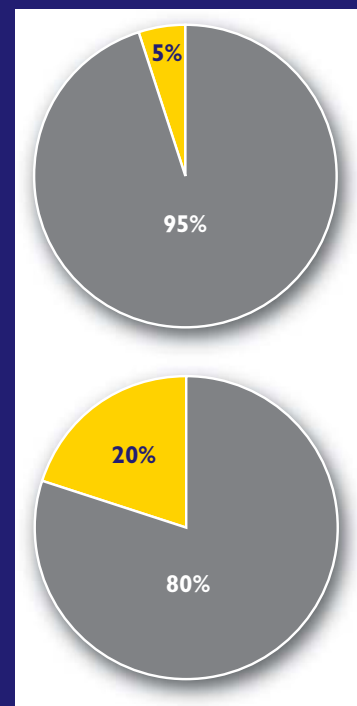
Percent Of Gas And Electric Bill Covered By LEAP



Source: Energy Outreach Colorado. Information based on actual and projected November – April Xcel Energy customer costs for both natural gas and electricity.

A low-income family's energy burden – the portion of their income that is spent on home energy costs – is increasing dramatically as energy costs are rising. On average, low-income families in Colorado are spending 20 cents out of every dollar they earn on energy, leaving less money for food, shelter and healthcare. The most vulnerable families are spending half of their very limited income on home energy.

Home Energy Burden Comparison Between A Median Income And An Average Household Living At Or Below 100 Percent Poverty



■ Home Energy Costs ■ Other

Source: American Gas Association's Energy Analysis, *The Increasing Burden of Home Energy Costs on Low-Income Consumers*, September 26, 2007.



Energy Outreach Colorado

Advocacy For Affordable Energy Policies To Support Safe, Healthy And Affordable Housing.

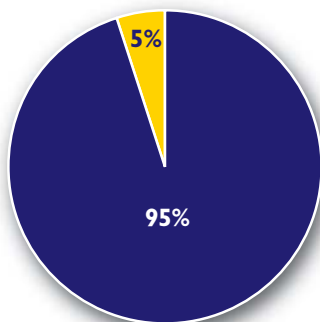
Regulatory Activities at the Colorado Public Utilities Commission

- Saved Colorado ratepayers up to \$12 million through an Xcel Energy rate case intervention.
- Participated in rule-making proceedings seeking protection for low-income consumers.
- Generated energy assistance funding to be included in agreements for utility mergers and decommissioning of a nuclear power plant.
- Reduced proposed residential late fees and targeted the funds toward energy assistance programs.

Legislative Activities

- Secured unclaimed utility deposits and refunds for energy assistance.
- Oversaw passage of the Low Income Energy Assistance Act, a voluntary donation program through utility companies serving Colorado.
- Increased legal options available to the Colorado Public Utilities Commission to assist low-income consumers through rate structures or rule making.
- Increased state and federal funding for energy assistance and energy efficiency programs.

Energy Outreach Colorado is proud that we have been able to spend an average of 95 cents from each dollar raised for programs to assist Colorado families in need.



The Impact of Unaffordable Energy Costs

Many limited income households take perilous actions in order to pay their energy bills, including:

- Skipping meals
- Forgoing medications or medical care
- Suffering from excessive cold or heat
- Using unsafe methods for heat, such as a kitchen oven or space heater
- Abandoning a home

Several well-regarded community indicators point to the increasing need for energy assistance.



Statewide Homeless Count

A study was conducted in the summer of 2006 by the Graduate School of Public Affairs, University of Colorado at the Denver and Health Sciences Center.

When asked why families with children were homeless: 58% stated abuse violence in the home

56% stated utility costs (the 2nd highest response)

33% stated lost job

Also, in families without children, 44% indicated utility costs contributed to their homelessness.

Source: Colorado Statewide Homeless Count

Mile High United Way – 211 Reports

Calls to the 211 emergency assistance referral program offered by Mile High United Way in the Denver metro area indicate that requests for utility assistance are second only to requests for rental assistance. The number of requests for utility assistance are increasing each year.

Year	Requests for Utility Assistance	Total Needs	% of Total
2002	894	19,321	4%
2003	2,937	36,539	8%
2004	12,093	66,935	18%
2005	14,295	78,551	18%
2006	15,398	97,125	16%
2007*	12,599	80,148	16%

(*through August)

Source: Mile High United Way



Colorado Needs More Energy Assistance Funding

Through increased fund-raising efforts, Energy Outreach Colorado is committing more funding to address these impacts. However, more funding is needed to meet the overall need for energy assistance in the state.

EOC Program Funding	2003/04	2004/05	2005/06	2006/07	2007/08*
Bill Payment Assistance					
Utility Assistance Grants	\$ 2,900,000	\$ 3,000,000	\$ 5,500,000	\$ 5,000,000	\$ 5,400,000
LEAP Grants	\$ 2,150,000	\$ 2,150,000	\$ 2,150,000	\$ 1,150,000	\$ 2,150,000
Total	\$ 5,050,000	\$ 5,150,000	\$ 7,650,000	\$ 6,150,000	\$ 7,550,000
Energy Solution Grants					
Home Efficiency Grants	\$ 385,000	\$ 600,000	\$ 500,000	\$ 714,000	\$ 1,100,000
Nonprofit Efficiency Grants	\$ -	\$ -	\$ -	\$ 160,000	\$ 671,000
Total	\$ 385,000	\$ 600,000	\$ 500,000	\$ 874,000	\$ 1,771,000
Consumer Education					
Schools Program	\$ 17,000	\$ 20,000	\$ 20,000	\$ 45,000	\$ 45,000
Consumer Education	\$ -	\$ 12,000	\$ 5,000	\$ 9,000	\$ 25,000
Total	\$ 17,000	\$ 32,000	\$ 25,000	\$ 54,000	\$ 70,000

(*planned)

Energy Assistance = Utility Bill Payments + Energy Efficiency Measures + Conservation Education + Advocacy

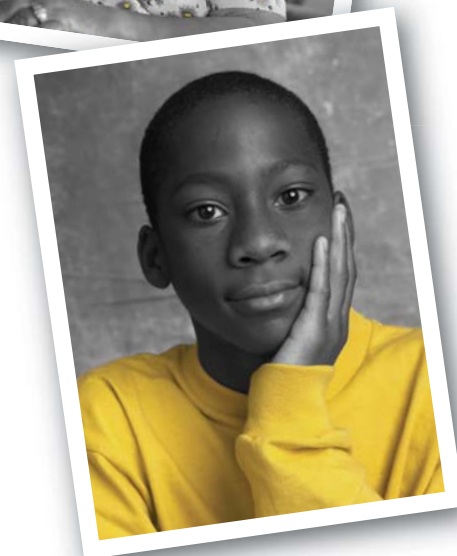
Recommendations

To address the increasing energy assistance needs of low-income Colorado families, Energy Outreach Colorado requests the support of the entire community. Some solutions we are working on to address this problem include:

- Additional funding for all energy assistance programs, both from the federal government and in Colorado. Current government and independent programs are not sufficient to meet the growing demands and critical impacts.
- Colorado needs a permanent source of energy assistance funding so that the average benefit for clients can be more consistent from year to year.
- One in five Colorado families is currently eligible for assistance but only one third of those families apply for assistance. Additional outreach about the availability of the programs is needed.

Conclusions

- Colorado's geographic diversity requires availability of energy assistance on a year round basis. It must cover all fuel types, including bulk fuels.
- Energy assistance can prevent or at least postpone other family hardships, reducing demands on other social services.
- Long term prevention of the problem (efficiency and conservation) is effective and timely. We need to combine utility bill payments, efficiency upgrades and education whenever we can.
- Progressive energy policies will provide much needed relief in the struggle to keep the lights and heat on in the homes of low-income citizens.



Thanks to the generous support of thousands of donors, Energy Outreach Colorado is providing \$9.5 million in 2007-08 for its energy assistance programs through these partner agencies:

Denver-Metro and Boulder

ACS-LIFT
Adams County Housing Authority
Almost Home
Association for Senior Citizens
Aurora InterChurch Task Force
Boulder County AIDS Project
Broadway Assistance Center
Castle Rock Comm. Inter-Church Task Force
Catholic Charities, Denver
City of Arvada Housing & Neighborhood Revitalization
Colorado AIDS Project
Community Ministry
Cross Community Coalition
Denver Indian Health and Family Services
Denver Urban Ministries
Emergency Family Assistance Association.
EMPOWERMENT
Family Tree
First Mennonite Church
FISH of Broomfield
Gateway Battered Women's Shelter
Groundwork Denver
Helping Hearts and Hands
House of Neighborly Service
Inter-Church ARMS
Inter-Faith Community Services
Jeffco Action Center
Lakewood Housing Authority
LifeBridge Christian Church
Longmont Housing Development Corporation
Lowry Family Center
Lutheran Family Services
Metro CareRing
OUR Center
Parker Task Force
Rebuilding Together
SafeHouse Denver
Salvation Army, Denver
Sara Brown Memorial Fund
Senior Support Services
Seniors' Resource Center
Seniors! Inc.
Sister Carmen Community Center
St. Vincent De Paul Society
Urban Peak
Volunteers of America

Mountain

Catholic Charities, Glenwood Springs
Clear Creek County Department of Human Services
Family & Intercultural Resource Center
First Presbyterian Church of Salida
Help the Needy
Lake County Health and Human Services
Loaves and Fishes Ministry of Fremont County

Manna House
Mountain Family Center
Mountain Resource Center
Park County Crisis Shelter
Salvation Army, Teller County
Salvation Army, Vail Valley

Northeast

Caring Ministries of Morgan County
Catholic Charities North, Weld County
Colorado East Community Action Agency
Community Assistance Network, Elbert County
Cooperating Ministry of Logan County
Faith Community Service Fund
Morgan County Family Center
Northern Colorado AIDS Project
Phillips County Department of Human Services
Rural Communities Resource Center
Sedgwick County Economic Development

Northwest

Community Budget Center
Crossroads Ministry of Estes Park
Fort Collins Housing Authority
Independent Life Center
Jackson County Department of Human Services
Lift-Up Routt County
Loveland Housing Development Corporation
WARM
Wellington Housing Authority

Central, Southeast

Advocates Against Domestic Violence
Catholic Charities, Pueblo
City of Fountain "Lighten the Load" Program
Colorado Springs Utilities, Project COPE
Crowley County Department of Human Services
Country Manor, Inc.
Ecumenical Social Ministries
La Junta Associated Charities
Las Animas Helping Hands
Northern Churches Care
Pikes Peak Community Action Agency
Prowers County Department of Human Services
Salvation Army, Colorado Springs
Salvation Army, Baca County
South Central Council of Governments
Southeastern Colorado Homeless Shelter
Southern Colorado AIDS Project
Tri-Lakes Cares

San Luis Valley, Southwest, Western Slope

Colorado Rural Housing Development Corporation
Community Emergency Assistance Coalition
Comm. United Methodist Church, Pagosa Springs

Grand Valley Catholic Outreach
Gunnison/Hinsdale County Dept. of Human Services
Housing Resources of Western Colorado
Housing Solutions for the Southwest
La Puente Home
MADA
Pinon Project
Telluride Foundation
San Juan Cooperative Parish
United Methodist Church of Dove Creek
Western Colorado AIDS Project

Statewide

Brain Injury Association of Colo.
Habitat for Humanity of Colorado
International Center for Appropriate & Sustainable Technology
Low-income Energy Assistance Program (LEAP)
National MS Society, Colorado Chapter
Rocky Mountain Cancer Centers Foundation

Military Families

The Home Front Cares

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