

Centering Workforce and Local Expertise to Jumpstart Colorado's Market Transformation

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ABSTRACT

In 2025, a \$199.7 million investment funded an ambitious and comprehensive regional program aimed at transforming the building sector in Colorado, with focused investment in workforce, low-income and vulnerable households and regional market transformation.

This significant funding supports Denver Regional Council of Government's "*Power Ahead Colorado*" Program with several coordinated initiatives that will reduce carbon pollution from buildings, foster workforce development and offer incentives for services and electric appliances, such as heat pumps, water heaters, and electric cooking. Each initiative will address specific environmental and industry challenges and improve air quality and public health in the Denver region.

The program presents a novel approach to market transformation by building on local experience and centering workforce and trade experience across the program design (NEEA 2025). Power Ahead Colorado includes the following market-shifting programs.

This suite of programs includes free, full-service income-eligible household program including weatherization and home upgrades, part of a program offering titled "Comfort for All". Free, data-driven energy advising to help residential, multifamily, and commercial building owners plan and implement upgrades. Incentives to support the purchase of higher efficiency cold climate heat pumps. A Building Policy Collaborative that supports coordinated, regional policy implementation and local government capacity building. A Colorado Contractor Hub to aggregate services, trainings and credentialing for local trades. Robust community engagement to develop programming, communications, and more. Comprehensive, accessible communications and public awareness campaigns based on local market research. High-quality workforce and industry development and training.

Introduction

Power Ahead Colorado is a program run by the Denver Regional Council of Governments (DRCOG). In 2024, DRCOG received nearly \$200 million in federal funding to help cut air pollution and greenhouse gas emissions. That funding is being used to improve homes and buildings across the Denver metro area by making them healthier, more comfortable, and more energy efficient. We do this with a focus on helping low-income households and communities that have often been left out of these kinds of investments.

The Denver Regional Council of Governments is a planning organization where local governments collaborate to establish guidelines, set policy and allocate funding in the areas of transportation, personal mobility, growth and development, and aging and disability resources (DRCOG 2025).

Power Ahead Colorado Programs include a local policy accelerator, incentives and energy advising to help community members choose efficient all-electric equipment options when replacing space and water heating appliances, the Comfort for All program, a full-service income eligible program focused on providing high levels of service to vulnerable households, workforce development and contractor support programs including a state-wide contractor

resource hub, comprehensive community engagement, communications and marketing, and an innovation grant program.

Background

DRCOG, the country's third oldest council of governments, covers a diverse range of Colorado landscapes and communities, with rural plains in the east and rugged mountains in the west. The Denver region is the largest metropolitan area for over 500 miles in any direction, with a population greater than any Mountain West state except Arizona. The Denver region hosts some of the nation's most significant temperature swings (Tabachnik 2022) and the worst air quality (National Lunch Association 2024). Its distinct topography at the base of the Rocky Mountains creates air circulation patterns that trap pollutants, resulting in a 46-years-long history of ozone nonattainment¹(McKee 2023). These unique features create an opportunity to isolate and evaluate the GHG impacts of building decarbonization interventions in a community that serves as a microcosm for the American Interior, both culturally and climatically. Further, the DRCOG area includes 50% of Colorado's Disproportionately Impacted Community census tracts; both these tracts and the area's broader communities are diverse, each with unique demographic composition, identity, history, and needs. As one example, Aurora Public Schools serve students from more than 130 countries and who speak over 160 languages (Aurora Public Schols 2024).

Figure 1 shows the geographic boundaries of the DRCOG region on the Colorado Front Range.

¹ Areas not meeting U.S. EPA National Ambient Air Quality Standards for Ozone are deemed in non-attainment.

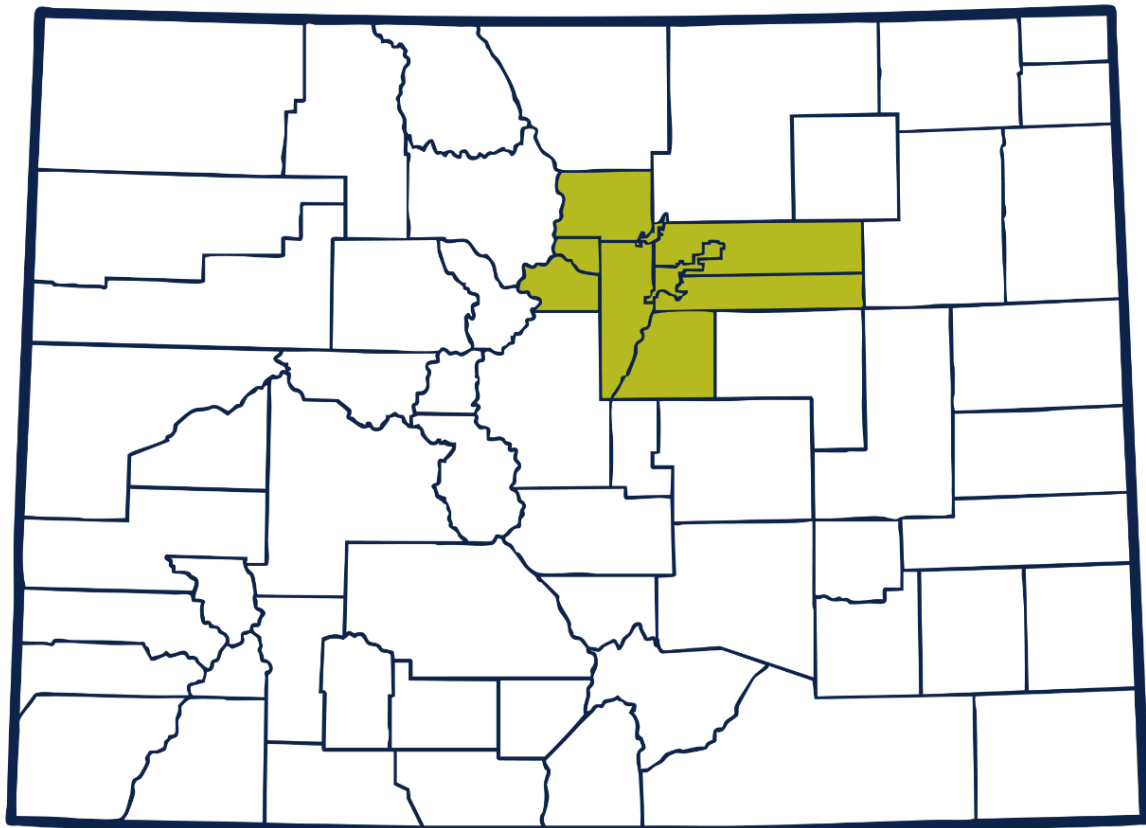


Figure 1. Denver Regional Council of Governments geographic boundaries

Power Ahead Colorado Programs

Policy Programs

Building on DRCOG's existing planning and programmatic support of its member jurisdictions, Power Ahead Colorado offers a policy accelerator program to convene all member governments and create the consensus and momentum to collectively advance building policy and codes in the state.

Colorado is one of eight states that constitutionally delegates municipalities the authority to self-govern building codes. As such, each city and county adopts and implements building codes individually, resulting in an inconsistent and hard-to-monitor landscape. The Building Policy Collaborative will assess what each jurisdiction needs to advance ambitious building policies and will develop collaborative solutions, maximizing regional consistency, easing permitting and compliance for trades and industry, and catalyzing successful implementation of policies needed to reach a region-wide zero-emission built environment by 2050, using three primary approaches:

1. Convening local government officials in a peer-to-peer network to evaluate, advance, and implement building policies;
2. Supporting DRCOG jurisdictions with \$35M in capacity building and compliance assistance; and

3. Commissioning research to track and evaluate data across the region and publish reports jurisdictions can use to inform and advocate for improved policy (DRCOG 2024).

This program is also providing subawards to DRCOG member governments that will fund hiring and training plan staff, inspectors, vendors and technology to ensure new buildings are built to code and retrofits are permitted and built up to standard and to support capacity to implement and enforce programs and policies.

HVAC contractors have been engaged as important stakeholders to complement the building policy collaborative work. In 2025, over 200 HVAC contractors were engaged for feedback in support of a sunrise review application led by DRCOG requesting that the State of Colorado consider implementing a state-wide HVAC license (COPRRR 2025). Staff also regularly engages local contractors to explicitly inform of the Building Policy collaborative program progress and solicit challenges in permitting, code interpretation and enforcement and other related issues directly from contractors installing heat pumps. This feedback loop will help identify the most pressing and most challenging issues from contractors and help surface them to local staff working on updating and enforcing code and building inspections in the region.

Incentives

Upfront cost is a major barrier to electrification, with highly efficient, all-electric appliances for space heating, cooling and water heating often more expensive than traditional alternatives. High first costs are increased by installing contractors who are unfamiliar or uninterested in installing heat pump technologies, lack of consistent supply of equipment, and lack of verifiable information. Incentives can help reduce cost of equipment like cold climate heat pumps and heat pump water heaters and serve as marketing tools for contractors participating in incentive programs. Rebates from Power Ahead Colorado will be available for residential, multifamily, and commercial properties, and will be accessible, timely, and impactful, with an initial focus on cold climate heat pumps. Later phases of incentives will include midstream incentives directed to equipment distributors and custom incentives for larger and more complex projects.

Power Ahead Colorado's incentives program has engaged contractors early and recruits regular contractor feedback via informal and formal channels including 1-1 conversations, a technical advisory committee of top performing contractors and quarterly visits to industry meetings to meet contractors where they are already engaged. Critical among feedback already received was the desire for a simple and easy to understand program, fast incentive repayment with an option to pay the customer the incentive directly, and low administrative requirements for contractors. Some best practices implemented in the design of the program include automatic confirmation of customer address eligibility, automatic confirmation of product eligibility, a qualified product list, and an incentive estimate all integrated into the incentive program application. Live contractor support agents are also available to help contractors with incentive questions and support contractors stacking and braiding incentives from multiple sources.

Contractors are frequently put in the middle of program implementation and are required to 'float' customer incentives by marking down their quotes and waiting for program managers to refund incentive payments to contractors. While this offers some advantages to customers, like easy of applying incentives and a bottom-line quote that includes incentives upfront, contractors that are attempting to scale their business are made to offer an increasingly large sum of incentive dollars in limbo while waiting for repayment. This model works counter to market transformation in some regards, by seating uncertainty of repayment, cost of working capital, and

additional risk with the contractors which may put upward pressure on project costs. Power Ahead Colorado is working with program implementers and internal staff to reduce repayment time to contractors to a minimum as well as offering an option for payment directly to the customers. Simple program design choices to minimize uncertainty and risk to contractors include a transparent dashboard where contractors can securely view the status of each incentive application and incentive payment, and a secure platform for incentive repayment that offers ACH options.

While current federal funding sources limit the program's ability to pay for incentives before work is complete, Power Ahead Colorado is also considering the role of rebate aggregator businesses that factor incentives from contractors, bridge loans and other financing, and other strategies to reduce this pressure on contractors participating in the program.

Energy Advising

Currently, no unified resource guides residents through the complexities of building decarbonization. Even highly motivated customers struggle to navigate the process; local government staff routinely hear from residents whose contractors discouraged heat pump installation or who received highly variable proposals. Essentially, home and building owners must become their own general contractor to navigate complex and unfamiliar energy efficiency and electrification topics. Power Ahead Colorado Energy Advising provides a one-stop shop that helps residents and businesses understand and access available upgrades and associated incentives. Services will be tailored to residents and building owners ranging from small single-family homeowners to large commercial or multifamily property holders, whether they are owner-occupied, landlord-operated, or governed by condominium/homeowner associations. Advising and other resources will also be provided in additional locally relevant languages. (DRCOG 2024) Several tiers of advising will be available starting with basic support for customers planning projects, engagement with subject matter experts, and on-site visits with engineering support at the highest tier.

The Power Ahead Colorado program envisions energy advisors as a support mechanism for contractors who are doing work the right way. Contractors who conduct Manual J/D/S calculations, properly permit work, and complete proper commissioning and documentation at the highest level of quality may price work higher than competitors who are not completing the steps required for a quality installation. Power Ahead Colorado's energy advisors will help customers understand the value of proper design and quality installation of heat pumps and provide unbiased information to promote best-practices of heat pump system design and installation.

Comfort for All, Income Eligible Program

At little to no cost to the participant, Power Ahead Colorado's Comfort for All program will provide a higher level of service and education for income qualified households who are vulnerable to air pollution and energy burden. The program will focus on income-qualified single-family homeowners and regulated affordable housing. The program will prioritize accessibility and education and measure packages that provide cost-savings and significant co-benefits to households.

Services and equipment upgrades are allocated based on household assessment and include weatherization, insulation, air sealing, window alterations, induction cooktops/cookware, cold climate heat pumps, and heat pump water heaters. These upgrades will reduce emissions,

improve indoor air quality, and increase resilience to extreme heat and poor outdoor air quality (Metropolitan Energy Center 2023). Based on need, participants may receive pre-weatherization health and safety repairs to enable effective efficiency and electrification upgrade implementation. This program takes inspiration from Denver’s Healthy Homes Program, (ICLEI 2024) which provides similar no-cost upgrades to low-income residents with respiratory illnesses, identifying the most impactful home upgrade measures and services, and supporting and tracking the best outcomes for participants (DRCOG 2024).

Workforce Programs and Contractor Support

This initiative includes four strategic workforce programs to address existing workforce and market gaps:

1. a statewide network of Green Workforce Hubs that provide paid training for new and upskilling existing workers (tradespeople and professionals) with wraparound service support to mitigate barriers to participation;
2. The first state-wide Colorado Contractor Hubs that coach and assist building decarbonization workers including mechanical, electrical, and plumbing contractors in starting or expanding businesses, and navigational services for utilizing regional building decarbonization programs like Power Ahead Colorado; and
3. Workforce Growth Access Programs (GAPs) that support recruitment, preparation, and employment success for prospective non-english speaking, youth, and previously justice involved workforce entrants (DRCOG 2024).

These programs are designed to support new entrants into the workforce and demographics which are currently underrepresented in Colorado’s HVAC workforce.

Community Engagement Programs and Grants

All Power Ahead Colorado programs have their own unique community engagement strategies but will be broadly managed by centralized administration to ensure cohesive operations, messaging, outreach, community input strategies, and equitable resource distribution. The engagement process will be inclusive, offering participation options such as workshops, surveys, and public comments, accommodating participants through diverse scheduling and attendance options, accessibility via public transit, and provision of services like language assistance and childcare. The Power Ahead Colorado program will also provide small grants for local community-based organizations to conduct their own programs, outreach and engagement complementary to the Power Ahead Colorado program (DRCOG 2024).

Marketing and Communications

Power Ahead Colorado’s success depends on empowering community members with foundational awareness of the benefits of energy efficiency and electrification and motivating them to participate in programming.

The communications strategy, message content, and delivery will be informed by a series of focus groups, surveys, and other outreach that transforms traditional top-down advertising into a dynamic exchange which evolves based on continuous feedback and marketing analytics. In addition to these engagement strategies, the program will rely on DRCOG’s 40 years of experience in successfully driving behavior change through regional campaigns, including

the nation’s largest SchoolPool program and second largest Bike to Work Day (DRCOG 2026). The communications campaign will deliver coordinated messaging and branding across platforms, from traditional media like broadcast advertising to innovative digital and grassroots strategies. Optimizing messaging for clarity, inclusivity, and local cultural resonance, materials will surpass accessibility standards and will be available in locally-relevant languages that meet the needs of target audiences. The campaign will also provide customizable content toolkits for local stakeholders, including engagement specialists, local government communications teams, and trusted community partners, to ensure relevance at every level (DRCOG 2024).

Innovation Program

The Power Ahead Colorado program will also offer approximately two dozen small grants to businesses and community-based organizations testing new business models or ways of reaching new customers. The projects funded will focus on interventions which generate immediate and long-term lessons for programs and policies in the state. The program will focus on individual funding tracks focusing on interventions specific to grid beneficial technologies, access to services and improvements, workforce and other specific areas in need of innovative models. This program is inspired by the Tech Clean California Quick Start grant program (TECH Clean California 2021).

Table 1 shows each of the program areas budget relative to the entire CPRG program.

Table 1. Program budget categories

Program category	Budget
Communications, marketing and community engagement	\$19 M
“Comfort for All” Income-qualified retrofit program	\$48 M
Incentives and Energy Advising	\$60 M
Building Policy Collaborative	\$39 M
Innovation Grant Program	\$6 M
Workforce development and industry programs	\$14 M

Conclusion

The Power Ahead Colorado program is taking a unique approach among peer CPRG programs by focusing, not only on workforce programming, but also centering the needs of the workforce in all areas of program design.

As of June 2026, over 100 contractors have already signed up for the program's Colorado Contractor Hub, and while most areas of the program are still in early implementation, engagement in the Contractor Hub and early feedback from participating trades reinforces the program design approach and strategy of centering contractors.

As implementation of the program proceeds, feedback loops and outcomes regarding workforce and program uptake will be critical to monitoring success and making programmatic adjustments. Lasting contractor satisfaction and participation in the incentives program, companies newly specialized in installing cold-climate heat pumps, and the overall scale of completed projects are all critical indicators. While some peer CPRG awardees are funding building decarbonization programs, Power Ahead Colorado is unique as a new program that is market transformation focused and wholistically centered around workforce. The team at Power Ahead Colorado believes that durable market transformation won't occur without contractors and tradespeople leading the way and we hope to demonstrate that a program designed with contractors in mind and responsive to their feedback will be the catalyst needed for this market transformation in Colorado.

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