

Xcel Energy Potential Study Working Group: Meeting Minutes

Title: Xcel Energy Potential Study Working Group Kickoff

Date: March 8, 2024, 11:30 a.m. MST

Location: Teams

Agenda Item 1: Roll Call

William Goodrich with Mesa Point Energy (MPE) took a roll call of participants.

Present:

Boulder County – Shawn Rupp
City of Denver – Daniel Shea; Samantha Lichtin
City of Boulder – Carolyn Elam
Colorado Energy Office – Joslyn Durkay
Energy Efficiency Business Coalition – Patricia Rothwell
Energy Futures Group – Jim Grevatt
Mesa Point Energy – William Goodrich; Jim Bradford; Donna Montane
Natural Resources Defense Council – Alejandra Cunningham
Sierra Club – Jim Dennison
Southwest Energy Efficiency Project – Justin Brant
Town of Erie – Dylan King
Western Resource Advocates – Clare Valentine
Xcel Energy – Nick Minderman; Brian Doyle

Agenda Item 2: Working Group Introductions

William Goodrich with Mesa Point Energy (MPE) explained MPE's role as the third-party facilitator of the Potential Study Working Group and presented a brief introduction of the group's purpose and a summary of stakeholder group interviews that were performed December 2023 through February 2024.

The group was presented with the following items relevant to meeting logistics and expectations and had the following feedback.

Meeting Frequency – The group generally agreed that meeting once per month for 90 minutes was reasonable

In-person meetings to be held when valuable – The group indicated a preference for on-line meetings. However, if in-person meetings were deemed valuable, it was agreed that these meetings should have an on-line option available to all participants.

Hold **more frequent meetings** if needed – The group generally supportive of more frequent meetings if needed but felt monthly meetings may be adequate.

Some meetings may involve **sub-groups** for specific topics – there was quite a bit of discussion around this topic:

- There was general agreement that sub-groups should be open to all participants, however acknowledging that some participants (as non-experts in the topic at hand) would be passive observers.
- A few suggested that all sub-groups activities would be reported back to the larger group at the next general meeting of the Working Group.
- There was agreement that sub-groups would be helpful when specific technical expertise or input was needed.
- Nick Minderman suggested an example of a potential sub-group could be on the topic of measure characterizations.

Additionally, the timing of distributing meeting materials prior to meetings was discussed. The group was asked if a 2-day lead time was adequate to review the materials. Most thought 2 days was adequate but asked that more lead time be given for technical or complex topics. It was also suggested that important topics (e.g. ones that would require specific feedback from participants, or most pressing or timely topics) should be flagged to highlight their importance.

Expectations: William Goodrich outlined expectations of Working Group meetings, which included:

- Roll of organizations present taken at the start of each meeting
- Meetings partially recorded:
 - Presentation portion recorded
 - Recording turned off for Open Forum
- Meeting minutes with summary of discussion items distributed after each meeting
- Open lines of communication to working group facilitator (MPE)
- Materials provided ahead of time, as applicable
- Mesa Point will lead meetings
- After study is underway, study milestones will drive meeting content

In addition, the group asked that in addition to the option of providing input during meetings, written feedback would be accepted. This would accommodate participants that do not want to share their input in a group setting, and/or would like the opportunity to discuss input with their individual organization prior to giving feedback. All written

feedback would be requested to be submitted via email to William Goodrich, MPE, and be given in a timely manner.

Agenda Item 3: 2025 Potential Study Timeline

The typical duration of potential studies was discussed. The time required to collect primary data was highlighted. In addition, there is time required to select a consultant to conduct the potential study.

Nick Minderman pointed out that this potential study has a somewhat short timeline. Xcel feels it can meet this timeline for the following reasons: 1) the Study will not only rely on primary data but will also use secondary data when practical; and 2) Xcel has developed a short-list of pre-qualified consulting firms which should shorten the selection process timeline.

Agenda Item 4: Review Scope of Work Outline

The group was asked if there were any initial comments on the scope of work (SOW) that was provided prior to the meeting. It was pointed out that the scope was a preliminary draft outlining key concepts to be discussed. The SOW includes limited standard elements of a potential study, input from stakeholder interviews, and direction by the Colorado PUC.

In preparation for detailed review of the SOW, William Goodrich presented the goals for the discussion which were to discuss and clarify specific SOW details and allow for addition of new scope for consideration. Proposed next steps were discussed which included:

1. Getting additional input from stakeholders
2. Incorporating that input into the SOW
3. Adding in the “standard” potential study language
4. Distributing the revised scope of work to the group
5. Prepare to discuss revised scope at next meeting

The discussion began with the group being asked if they would be interested in a process whereby the Potential Study details were discussed/presented in “smaller bites” rather than reviewing large sets of information all at once. The group generally liked this proposed approach and agreed that it would allow for “course corrections” early in the process; adjust the Study and allow for review of inputs and output products along the way.

Other comments during review of the SOW included the following:

- It is important to look at the relationship and connections between energy efficiency, beneficial electrification, and demand management.
- Cost Effectiveness – the Group will be asked for specific feedback on the use of modified TRC test (mTRC) and other cost tests (e.g. utility cost test (UCT))

- Justin Brant pointed out that the DSM Strategic Issues filing and the Clean Heat Plan do not include cost effectiveness therefore how will the Potential Study account for cost effectiveness with that context?
- There was discussion around the need to set a reasonable screening of measures, but others options could be explored beyond the standard TRC of 1.0.
- One option is to set TRC threshold below 1.0 (e.g. 0.75)
- There is value in looking at data in different ways, for example look at more than the mTRC. For example, use mTRC and as a secondary scenario look at UCT and compare the two different perspectives.
- DIC and IQ should be considered and there should be adequate time to discuss inclusion.
- There was discuss of incentive levels and adoption rates related to policy goal scenarios, alternative cost effectiveness scenarios, and non-energy benefits (NEBs).
- Carolyn Elam commented that there is a tendency to look just at baseline vs high efficiency measures. She suggested that there are other ways to look at measures and consider other benefits (e.g. beneficial electrification). In addition, the consultant can be asked to look at changing conditions in the marketplace.
- Justin Brant suggested looking at the trajectory to achieve the State’s policy. Can the Study be used to meet the State’s goal with using traditional program matrices? What are the barriers to meeting the State’s goals?
- William Goodrich suggested a “what would it take” approach: setting up targets and using top-down adjustments of measures, sectors, etc. to see if inputs could reasonably be adjusted to attain a specific output.
- Nick Minderman reminded the group that at this time the final scenarios are not needed to select the consultant. However, the most important thing at this juncture is to make sure the Working Group identifies the number of scenarios that will be included in the SOW. The group was assured that once the consultant is selected, there would be opportunities to have input into scenarios to run.

Agenda Item 5: Open Forum

Comments from the Group were included during the previous agenda items in lieu of the Open Forum as an adjustment midway through the meeting.

Decisions Made

Decision 1: Deadline for feedback on draft SOW is March 20th at 5:00 p.m. MDT

Decision 2: The next meeting will be roughly one month out and will be decided via Doodle poll.

Action Items

Action Item	Responsible Group/Person	Deadline
Provide additional feedback/additions to SOW	Working Group Members	Wednesday, March 20, 2024
Distribute revised scope of work for review	Mesa Point Energy	TBD depending on

Meeting Close

The meeting was adjourned at 1:08 p.m. MST.