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RE: PSCo 60-Day Notice: Q4 2021 DSM 60-Day Notice: Income-Qualified Beneficial Electrification

Energy Outreach Colorado ("EOC") appreciates the opportunity to respond to Public Service Company of Colorado's ("Public Service" or "the Company") 60-Day Notice ("Notice") on the action to update the tech assumptions, deemed savings, and program design/delivery, rebates in the Income Qualified Single-Family Weatherization, Multifamily Weatherization, and Non-Profit products product. EOC's comments here are in relation to customer eligibility specifically.

EOC recommends customer eligibility be allowable for electric Public Service customers, in addition to natural gas *and* electric customers as outlined in the 60-day notice. EOC understands the intention of this 60-day notice is to support a just and equitable energy transition with an emphasis on access for the income-qualified community. Without this modification, Public Service electric-only customers using electric space heating, receiving natural gas from another utility, or using propane and other bulk fuels will be excluded from the product offering as currently detailed in the Income-Qualified Beneficial Electrification 60-day notice. The high cost of propane and all electric resistance heating exacerbates economic disparities for those income-qualified customers who would benefit from electrification the most.

In addition, Public Service Company of Colorado's November 4th response to comments submitted on the 60-Day Notice to modify its existing Residential Heating and Cooling product included the following:

2. Heat Pump Rebate Eligibility:

The CEO and Coalition both objected to space-conditioning heat pump eligibility language limiting rebate participation to customers who receive primary space heating fuel service from the Company. Both parties felt this limitation would adversely affect heat pump adoption, broader electrification market transformation efforts, and Colorado's climate goals. Recommendations included foregoing the proposed update or creating a tiered rebate structure based on which services a customer receives from the Company.

Response:

The Company appreciates these comments and agrees that the benefits of heat pumps should be made available to as many customers as possible. Upon further review, the Company agrees that all customers with electric service from the Company shall be eligible for all space-conditioning heat pump rebates. The rebate levels will be the same for all customers as established in the 2021-22 DSM Plan, regardless of heating fuel

service, for the sake of simplicity, product integrity, and to encourage adoption. The Company shall not claim the heating savings for customers where the Company does not provide the existing heating fuel. (emphasis added)

In order to serve as many income-qualified customers as possible, EOC requests a modification to create consistency across programs by adjusting the language in this 60-day notice to replace all references stating the customer must receive natural gas *and* electricity from the Company to state customers must receive electricity from the Company to qualify.