Response of the City and County of Denver to Public Service Company of Colorado's 60-Day Notice to Add Beneficial Electrification Measures to the Business HVAC+R Systems Product

The City and County of Denver ("Denver" or "the City") appreciates Public Service Company of Colorado's ("Public Service" or "the Company") action to add Beneficial Electrification measures to its commercial demand-side management ("DSM") portfolio. Denver offers the response below to the Company's 60-Day Notice to add Beneficial Electrification measures to the Business HVAC+R Systems product in its commercial DSM portfolio. Denver's comments primarily focus on the Company's qualifying criteria for its Beneficial Electrification measures and are informed by the City's experience in administering programs with such measures.

First, Denver is understanding of the Company's use of SEER/EER/HSPF in lieu of SEER2/EER2/HSPF2 for VRF Systems and Air Source Heat Pumps qualifying criteria. Given the emergence of SEER2/EER2/HSPF2 criteria, however, Denver recommends that the Company provide the converted equivalents, a conversion chart, or conversion calculator on its website, information sheet, and/or application for contractors, building owners, and facility staff to use. Denver expects that this additional information would facilitate comparison across criteria and, accordingly, reduce confusion in the marketplace.

Second, for Dual Fuel Rooftop Units, Denver recommends that the Company include IEER as a qualifying criteria metric for units more than 5.4 tons. Denver has found in our rebate program experience that IEER is more commonly known by contractors.

Third, Denver recommends that any cold climate designated equipment should also include requirements for a COP at 17 °F and/or 5 °F, and/or a capacity maintenance requirement regarding rated capacity at 47 °F when compared to capacities at 17 °F and/or 5 °F. These additional requirements would align the Company's programming with other available offerings that have COP requirements—such as Denver's—and foster an improved understanding of equipment performance expectations in the marketplace.

Fourth, Denver recommends that the Company clarifies or identifies all heat pump and dual fuel rooftop unit incentives as per unit, per ton, or per square foot to reduce any confusion in the marketplace and to better assess alignment with federal, state, municipal, and/or other incentive offerings.

Fifth, Denver's understanding is that, to qualify for the Company's Business HVAC+R Systems Beneficial Electrification rebates, buildings must be metered under the Company's commercial rate class to qualify, and multifamily buildings would only be eligible for the Company's Business HVAC+R Systems Beneficial Electrification rebates if master-metered under the Company's commercial rate class and/or in common areas metered under the Company's commercial rate class. Denver recommends that the Company clearly state this eligibility criteria on its website, information sheet, and/or application. Denver has found in our rebate program experience that clearly stating participant eligibility criteria is important, especially for multifamily buildings and their tenants.

Lastly, Denver acknowledges that both the Company and Denver will be offering Beneficial Electrification rebates for similar equipment types, as Denver currently offers rebates for split air source heat pumps, mini-split heat pumps, heat pump hot water heaters, and heat pump rooftop units. Denver recommends that the Company continue to coordinate with the City—among other federal, state, and municipal rebate programs—to share lessons learned and ensure awareness and coordination across rebate programs.

Again, Denver appreciates the Company's action to add Beneficial Electrification measures to its commercial DSM portfolio. Thank you for taking the time to review our comments. We look forward to further discussion.

Regards,

City and County of Denver Office of Climate Action, Sustainability & Resiliency

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