

➤ Home Performance with ENERGY STAR®

A. Description

The Home Performance with ENERGY STAR (Home Performance) product is targeted for existing single-family homes in need of at least three energy efficiency improvements. By providing these customers with rebate incentives, Public Service is able to incorporate a whole house approach to energy efficiency. To participate in the product, all qualified Public Service customers must receive Xcel Energy electric service with either Xcel Energy gas or electric-resistance heat.

Home Performance was developed using principles from the nationally recognized ENERGY STAR® “Home Performance with ENERGY STAR” product.¹ The concept of the product is to provide the customer with one-stop for all of their home efficiency needs. In this comprehensive approach, the customer receives an energy audit; the audit is then used to generate a list of recommendations. The contractor, who may also be the auditor, reviews the recommended improvements, completes the work, and may receive an independent verification of the improvements after completion if a Quality Control Inspection (QC) is performed. The contractor and homeowner may also request advice on recommended upgrades and rebates from the Energy Advising service.

This product leverages the Company’s Home Energy Audit offering, requiring an advanced in-home blower door audit as the first step in the process for product participation. After the customer completes the audit and meets the product eligibility requirements, the customer may sign up to participate in Home Performance. Customers must achieve at least a 20% energy reduction in their home energy consumption by implementing qualifying savings improvements to earn rebates.

Trade partner companies interested in performing installations must have a technician on staff who is currently certified in one of the following: Building Performance Institute (BPI) Building Analyst, BPI Envelope, BPI Heating, BPI Residential Building Envelope Whole House Air Leakage Control Installer or Crew Chief, Quality Control Inspector (QCI), Advanced Energy Auditor, and/or North American Technician Excellence (NATE) Gas Heating plus approved Combustion Appliance Zone (CAZ) training, NATE AC or NATE ASHP or GSHP certification (with the exception of evaporative cooling and water heaters, which don’t require a certified contractor). Each trade partner company must have one technician in each certification area, in which they are participating. A technician’s certification may not be used by another trade partner company to meet the program requirements. Trade contractors must also complete the appropriate Home Performance contractor training depending on the services they offer.

The primary focus of these trainings is to provide contractors with information on the product components, how the process works, and the diagnostic testing required as part of the efficient

¹ Learn more about EPA’s Home Performance with ENERGY STAR:
https://www.energystar.gov/index.cfm?fuseaction=hpwes_profiles.showSplash&s=footer

measure installations. All participating contractors must sign the corresponding contractor agreement before providing installs for participants in the product. Once contractors have completed this training, they will be included on the approved contractor list, which is included in the customer packets and on the Company's website.²

B. Targets, Participants & Budgets

Targets and Participants

The product targets were developed based on the 2015 product results and performance of similar products in other Xcel Energy service territories.

Budgets

The budget for this product is based on the 2014 and 2015 expenditures, third-party implementer costs, and software costs, including measurement and verification inspections, as well as the cost to promote the product through print advertising and collateral. Both cooling and attic measures will include a trade incentive rebate as well.

C. Application Process

Customers interested in participating in the Home Performance product must begin by requesting a Home Energy Audit with blower door test. The auditor will provide information on the Home Performance product as part of their in-home audit, tying specific product requirement information and recommendations to the audit. The customer may then sign up for the product the day of the audit through their auditor or the online signup form.

Once a customer has signed up for the program, they have one year to complete the required and optional equipment installs. The customer then completes the recommended improvements and works with their contractor to submit the rebate form. A random sample of 10% of the contractor's jobs will be inspected and verified.

The Home Performance product information, approved contractor list, and signup form are available on the Company's website.³ Customers can receive applications through their registered and approved contractor only. Customers may also contact the Residential Customer Care center (1-800-895-4999) to request product information or guidance on how to obtain rebates.

D. Marketing Objectives & Strategies

Public Service will implement a variety of marketing strategies to provide product information through the website, bill inserts, targeted mailers, and local "green" community events.

² www.xcelenergy.com/cotrades

³ www.xcelenergy.com/homerebates

Incentives will be provided to trade partners for identifying participants that may not be aware of the “whole house option” through Home Performance.

The Home Performance product will be marketed through the Company’s Home Energy Audit ~~product, Enhanced Home Energy Squad offering, promotions directly to customers,~~ and approved Home Performance participating contractors. Public Service will monitor product participation on a monthly basis and implement additional marketing tactics if necessary to achieve the year-end target.

In addition, Public Service will attempt to fully utilize the trade partners who have been trained and contracted to deliver this product to customers. This is viewed as the most important marketing channel for building awareness and participation in the product. As a result, Public Service is offering incentives to participating installation contractors that are designed to increase the number of projects performed. These incentives are designed provide contractors with additional motivation to promote the Home Performance product.

E. Product-Specific Policies

The Home Performance product requires customers to have either a standard Home Energy Audit with blower door test or an Infrared Audit with blower door test performed to qualify for participation. The audit is required prior to starting the improvements. Customers are eligible for a Home Energy Audit every two years. Public Service will provide the customer a list of contractors participating in the product; however, the Company does not guarantee the contractor’s expertise or warrant any of the products or services, nor is one contractor promoted over another. Public Service shall have no liability for contractor work or negligence.

~~To complete the product and be eligible for the rebates, customers must agree to achieve a 20% reduction in their home’s energy consumption. If the customer’s audit recommends must complete air sealing, or attic insulation, these upgrades, plus one Supplemental Upgrade, become pre-requisites for Home Performance required to participate in the program. and CFLs or LEDs as part of their improvements if they have not made these upgrades previously. Supplemental upgrades require the customer to provide proof of purchase, such as a receipt, on one of the following items: LED bulbs or, water saving faucet aerators and/or shower heads. Customers who have participated in the Company’s or a visit from the Home Energy Squad or Showerheads product will be considered to have met the Supplemental Upgrade requirements.~~ The customer will receive rebates for improvements completed within one year of signing up under the Home Performance product. The Company will not rebate pre-existing efficient equipment.

F. Stakeholder Involvement

Public Service periodically meets with the Cities of Boulder, Fort Collins, Greeley, and Colorado Springs, the Center for Resource Conservation, the Platte River Valley Authority, the Colorado Energy Office, the U.S. Environmental Protection Agency, the U.S. Department of Energy,

Electric & Gas Industries Association, and the Energy Efficiency Business Coalition (EEBC) for product feedback. The Company plans to continue meeting with these organizations, and other stakeholders, for feedback to improve the product.

Additionally, Public Service is an active member of Affordable Comfort, Inc. (ACI)—a leading educational resource for the Home Performance industry; and has an active partnership with the BPI — a national standards development and credentialing organization for residential energy efficiency retrofit work.

G. Rebates & Incentives

Home Performance product rebates are prescriptive and based on the specific measures installed. Rebate levels are enhanced when compared to rebates offered for similar measures in the Company’s related DSM products to encourage customers to pursue whole-home improvements instead of individual upgrades. The rebate levels are provided in the following table.

Rebates for Home Performance Measures

Home Improvement Measures	Prescriptive Rebates		
Top Three Required Improvements (If listed as a recommendation in the customer’s audit report)	Rebate for Natural Gas Heated Home w/o Cooling	Rebate for Natural Gas Heated, AC Cooled Home	Rebate for Electric Resistance-Heated Homes
Attic Insulation* (30% up to cap)	\$400	\$600	\$700
Air Sealing, Bypass Sealing & Weather-stripping* (60% up to cap. See insulation application for tier-level requirements)	Bottom Tier	\$250	\$400
	Top Tier	\$325	\$550
<u>High Efficiency LEDs*</u> <u>Supplemental Upgrades (choose one)*</u> -Home Energy Squad -LED bulbs -Water saving showerheads or aerators	\$2/per bulb up to \$40 Visit Xcelenergystore.com for instant rebates on LED bulbs, water savings measures or to sign up for the Home Energy Squad**		
Optional Improvements	Rebate for Natural Gas Heated Home w/o Cooling	Rebate for Natural Gas Heated, AC Cooled Home	Rebate for Electric Resistance-Heated Homes
Wall Insulation (above grade)	\$400	\$600	\$700
Evaporative Cooling – Standard System (1 st)	\$325		
Evaporative Cooling – Standard System (Replace)	\$225		
Evaporative Cooling – Premium System (1 st)	\$725		
Evaporative Cooling – Premium System (Replace)	\$625		
Evaporative Cooling – Whole House System	\$1200		
Central AC 15 SEER, EER 12.5	\$400		
Central AC 16 SEER, EER 13	\$550		
Central AC 17 SEER, EER 13	\$700		

Central AC Trade-in	\$550
Ground Source Heat Pump	\$300 per ton
Electric Heat Pump	\$550
Programmable Set Back Thermostat	\$25
95% AFUE or higher High Efficiency Furnace	\$200
Electronically Commutated Motor	\$125
Tankless Water Heater .90 EF or higher	\$200
Water Heater .67 EF or higher	\$100
ENERGY STAR Refrigerator/Primary	\$15
ENERGY STAR Clothes Washer	\$30

~~*If any of these three measures are a recommended improvement from the Home Energy Audit, they~~ These measures must be completed in order to participate in Home Performance with ENERGY STAR unless auditor rules the home exempt meaning the air-sealing and/or attic insulation is sufficient from an energy efficiency perspective.-

**Instant rebates on LED bulbs can also be found at participating retailers