

January 14, 2022



On November 30, 2021, Public Service Company of Colorado (“Public Service” or “the Company”) issued a 60-Day Notice to launch an Income-Qualified Beneficial Electrification Pilot designed to fund the full cost of mini-split heat pumps, air source heat pumps, and heat pump water heaters within the Company’s Income-Qualified Single-Family Weatherization, Multifamily Weatherization, and Non-profit products.

The Company received written comments on the Notice from Energy Outreach Colorado (“EOC”). The original Notice, stakeholder comments, and Company responses can be found on the Company’s website, here:

[https://www.xcelenergy.com/company/rates\\_and\\_regulations/filings/colorado\\_demand-side\\_management](https://www.xcelenergy.com/company/rates_and_regulations/filings/colorado_demand-side_management)

The Company held discussions with EOC to discuss their concerns, and after careful consideration of the comments, the Company determined that changes to the original Notice are warranted. The Notice with amendments detailed below will be implemented on January 17, 2022. The Notice amendments do not charge the forecasted product impacts included in the initial 60-Day Notice documents. A summary of comments and the Company’s formal responses are provided below:

**1. Pilot Eligibility:**

As outlined in their comments, “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.”

**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 income-qualified customers with electric service from the Company shall be eligible to participate in this Pilot. The rebate levels will be the same for all customers as established in the original 60-Day Notice, regardless of heating fuel service, for the sake of simplicity, product integrity, and to encourage adoption.

This update also ensures consistency with eligibility requirements established for current market-rate products. The Company shall not claim the heating savings for customers where the Company does not provide the existing heating fuel.

The Company has updated the Pilot description to reflect these eligibility changes. A redlined Pilot description is included in this response filing.