

➤ **Non-Profit**

A. Description

The Non-Profit product is designed to provide funding on a wide variety of equipment and process improvements for electric and natural gas efficiency measures to qualified non-profit organizations within the Company's Electric and Natural Gas service territory. The product's focus is on helping organizations that serve income qualified individuals, such as shelters, safe houses, and residential treatment centers.

The product will be implemented in partnership with EOC. EOC utilizes funding through their existing Non-Profit Energy Efficiency Program ("NEEP") grants targeting non-profits. EOC works to identify and qualify non-profit facilities for the product. Details of energy-saving and demand-reduction measures, rebates, reporting processes, M&V procedures will be evaluated on a per project basis using a detailed engineering analysis.

In addition to these measures, customer education is included with this product. EOC staff provides educational materials, historical energy usage information, and bill analysis to these customers during the weatherization process to help them identify additional changes they can make in their day-to-day lives to further reduce energy use and demand in their facility. With the installation of smart meters and the transition to the Time of Use (TOU) rate in Colorado, the Company will work with EOC on bilingual educational efforts regarding any applicable information for the smart meter, new rate, and how customers may save money by shifting electricity use to off-peak hours when rates are the lowest.

B. Targets, Participants & Budgets

Targets and Participants

Participation and energy savings targets were developed by evaluating past project completions and information provided by EOC on anticipated participants.

Budgets

Historical costs and participation information were tracked and analyzed to develop a budget estimate. The majority of the budget is allocated to electric and natural gas rebates benefiting non-profit facilities. Other external variables contributing to costs, such as outreach, material costs, and staffing were also evaluated.

C. Application Process

Customers can learn about the product through information that is available on EOC's website¹ and also Xcel Energy's website². EOC reaches out to those customers who may not be aware of funding and educates them on the benefits of an energy-efficient retrofit improvement. Customers who are interested in the product can apply online through the EOC website. The online application must be completed and includes a description of existing equipment in the facility, confirmation of building ownership/facility usage, proof that the building is registered with the Colorado Secretary of State as a 501(c)(3) and documentation showing the financial stability of the organization. A committee made up of non-profit industry leaders then determines the applicant's needs and how EOC and Public Service funding can help.

D. Marketing Objectives & Strategies

The overall marketing objective is to increase and expand education among the income-qualified customers and building owners on the importance of energy efficiency, thereby driving product participation. Public Service will also work to educate customers on the value of taking further actions to improve efficiency at the facility. EOC markets the product through various channels, including communications through non-profit association literature, community resource center announcements, and local income qualified foundations.

E. Product-Specific Policies

To receive funding, the following customer and facility eligibility requirements must be met:

- Customers must receive electricity and/or natural gas from Public Service;
- Customer must operate the non-profit facility on a property they own and for which they pay energy bills, or have a long-term lease that requires only non-profits to occupy the space with plans to be in current location for at least the next ten years; and
- The property must provide services to vulnerable populations including but not limited to: transitional housing, homeless shelters, affordable housing, domestic violence shelters and day shelters, organizations that provide services (substance abuse, health and mental health services, child care, education and/or emergency services) for special needs populations, including income qualified families, the disabled, senior, and youth communities.

In addition, the following project requirements must be met:

- Be recommended by an independent energy auditor based on energy conservation calculations that are available for review; and
- Reduce the use of energy or demand (electricity, natural gas, or both) provided by Public Service to the facility.

Participating income qualified agencies must agree to the following:

¹ <https://www.energyoutreach.org/programs-for-organizations/non-profit-energy-efficiency/>

² https://www.xcelenergy.com/programs_and_rebates/business_programs_and_rebates/income_qualified_rebate_programs_for_buildings

- Installation of an energy use monitoring and reporting system;
- A comprehensive energy audit by a qualified entity;
- Set target energy use goals for each facility;
- Consider installation of all qualifying efficiency measures;
- Engage appropriate contractors and manage the installation and completion of efficiency measures;
- Provide a summary project report at the completion of the installations;
- Provide all insurance and legal protections requested by Public Service; and
- Annually review the energy use of the retrofitted facility and formulate a plan for further improvement using available and appropriate assistance.

F. Stakeholder Involvement

When designing the plan, Public Service worked with EOC to determine appropriate program targets, budgets and participation based on current pipeline and opportunities. Public Service will continue to evaluate historical projects with EOC to determine specific measure trends.

G. Rebates & Incentives

The product does not provide a rebate to customers, but rather provides project funding in the form of grants. The estimated average incentive amounts for the energy improvements can be found in [Appendix H: Technical Reference Manual](#).

Public Service will evaluate each project on a custom basis to determine funding levels using a detailed engineering analysis. Engineers review the project information to determine the projected energy savings, demand reduction, benefit/cost ratio and payback. Projects will be bundled in order to ensure that the product passes the MTRC test ratio. Testing, engineering and project management fees may be included in the project costs.

The Company will continue the Beneficial Electrification pilot which was implemented in Q1 2022 and designed to fund the full cost of mini-split heat pumps, air source heat pumps, and heat pump water heaters. The pilot focuses on expanding participation for these technologies within the Income Qualified portfolio of products. The study will review a portion of completed projects for post-installation bill impacts, identify best practices for minimizing energy burden, and assess various scenarios for heat pump installation. Installation scenarios will include heat pumps with gas back up, full system replacements, heat pumps with electric resistance back up, and heat pumps with boiler back up.

The Company is proposing the structure of a geographic based pilot to test the impact of prequalifying customers based on the physical location of their home. Customers in 1-4 unit homes will automatically qualify for a free tier of services based on inclusion in a pre-defined census tract that has been identified to have residents with a high propensity to represent income qualified customers. These initial services will be targeted at the identification of energy-efficiency opportunities and the installation of simple conservation measures. Multifamily buildings in these

areas will also be offered a free audit and installation of basic energy-efficient equipment in the resident units and common spaces. Additional tools and resources will be provided in these target areas to further enable pilot participants to navigate the installation of efficiency measures independent of the traditional organization who normally coordinate and support this work.