

➤ **Summary of 60-Day Notice: ENERGY STAR New Homes**

The following 60-Day Notice summarizes the Company's action to update the tech assumptions, deemed savings, and rebate in the ENERGY STAR New Homes product.

The Company is including with this Notice:

- Updated Deemed Savings worksheets;
- Updated Technical Assumptions worksheets;
- Updated cost-benefit analyses; and
- Redlined product write up.

A copy of this notice is available on our website at:

https://www.xcelenergy.com/company/rates_and_regulations/filings/colorado_demand-side_management

The intent of this Notice is to correct participation levels for electric-only homes in 2019 and to correct accounting for lighting efficiency savings in envelope measures within the product. In addition, the cost curves in the Deemed Savings were updated to reflect updated costs for combo customers as well as to include costs for electric-only homes which were omitted in original filed documents.

Electric-only Homes:

The electric forecast filed in the 2019-2020 DSM Plan incorrectly included electric-only home participation in 2019. As stated in the filed product write up, electric-only homes are not eligible to participate in the Energy Star New Homes product until 2020. The updated forecast has removed electric-only home participation in 2019.

Lighting Efficiency Modeling Update:

Previous versions of the Home Energy Rating System ("HERS") modeling applications incorporated envelope impacts of high efficiency lighting technologies but did not account for the direct energy savings associated with those lighting improvements. As a result, the Product offered prescriptive lighting measures to account for those energy savings that were not captured in the HERS modeling.

An update to the HERS modeling now properly accounts for the total energy savings associated with high efficiency lighting in the envelope improvement calculation. As a result, the Company is discontinuing the prescriptive lighting measures since they are no longer needed. The direct incorporation of lighting savings into the envelope improvement calculation results higher percentage improvement ratings and rebates for participants, offsetting the prescriptive lighting rebate removal. Incorporating the lighting savings into the envelope also shifts the mix of energy savings and decreases the gas savings marginally.

Table 1: Summary of Forecasted Impacts: ENERGY STAR New Homes

| | 2019 | | 2020 | |
|--------------------------------|-----------------|---------------------------|-----------------|---------------------------|
| | <i>As Filed</i> | <i>Revised per 60-day</i> | <i>As Filed</i> | <i>Revised per 60-day</i> |
| Electric Savings (kWh) | 3,092,103 | 3,433,972 | 2,988,677 | 3,360,638 |
| Electric Demand Reduction (kW) | 1,066 | 997 | 1,000 | 1,000 |
| Budget* | \$645,751 | \$652,641 | \$597,315 | \$630,353 |
| MTRC Test Ratio | 0.88 | 0.92 | 0.89 | 0.93 |
| Gas Savings (Dth) | 86,336 | 83,620 | 75,359 | 73,400 |
| Budget* | \$1,228,126 | \$1,184,623 | \$1,073,440 | \$1,039,556 |
| MTRC Test Ratio | 0.99 | 1.03 | 0.97 | 1.00 |

*Rebates only. While the anticipated expenditure impacts are forecasted, the Company acknowledges that this Notice does not change the filed budget.