

➤ **Summary of 60-Day Notice: High Efficiency Air Conditioning and Home Performance with ENERGY STAR®**

The following 60-Day Notice summarizes the Company's action to update the tech assumptions, deemed savings, and program design in the High Efficiency Air Conditioning and Home Performance with ENERGY STAR® products.

The Company is including with this Notice:

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

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

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

Summary of changes:

The purpose of this 60-day notice is to add gas savings measures to the residential central air conditioning ("AC") offerings available through the High Efficiency Air Conditioning ("HEAC") and Home Performance with Energy Star® ("HPwES") products. When residential customers in existing homes heated primarily with a natural gas furnace use a participating contractor to install a new AC system, natural gas energy savings are a side benefit to the AC Quality Installation.

Additionally, the HPwES Technical Assumptions and product write up are being updated to align rebate levels with similar measures offered in other products in the Company's DSM portfolio and to remove two unpopulated EC Motor Furnace Fan line items.

Residential Air Conditioning Gas Savings:

Standard and High Efficiency AC measures in the HEAC and HPwES rebate products require the participating contractor to perform a Quality Installation ("QI"), as defined by the Air Conditioning Contractors of America (ACCA), with elements of sizing and equipment selection, airflow, refrigerant charge, and duct sealing. In addition to currently claimed electricity savings, the duct sealing portion of QI also reduces the amount of heat loss in the duct system during the heating season. This results in natural gas savings for customers using a natural gas furnace as their primary heating source. Based on analysis of historical product participation data, it is expected that 90% of the residential customers participating in the AC rebate have a natural gas furnace and will experience natural gas savings as a result of the duct sealing element of the QI done on the new AC system.

The gas savings will only be claimed when Xcel Energy provides the residential customer in an existing home with electric power and natural gas service. Gas savings are realized for all furnace efficiency levels, and are deemed on contractor input of furnace efficiency and British thermal units per hour ("BtuH").

Because the gas savings are realized through the electric product air conditioning measures, the electric product measures will carry all administrative costs, non-duct sealing QI incremental costs, and associated rebates. The incremental cost of the QI duct sealing and associated rebate will be split between the electric and gas product measures based on the proportion of measure-level Avoided Revenue Requirement savings attributed to electric versus gas savings. There will be no additional rebate for gas savings related to the air conditioning system.

Gas savings will be claimed retroactively to January 1, 2019 if a qualifying customer had a new AC system rebated in 2019 under the HEAC or HPwES products.

Home Performance with Energy Star Update:

The intent of this update is to align the rebates offered for Evaporative Cooling (“EC”) and Residential Heating products. The ENERGY STAR refrigerator was removed from the product write up as the measure was not included in the technical assumptions for the 2019/2020 filing. In addition, the technical assumptions were updated to remove duplicated EC Motor measures which did not include savings information. Rebates and participation have been adjusted based on the removal of these duplicated measures. The corrected rebate table is provided in the redlined product write up.

Table 1: Summary of Forecasted Impacts: High Efficiency Air Conditioning

	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)	1,795,587	1,795,587	2,566,184	2,566,181
Electric Demand Reduction (kW)	1,819	1,819	2,704	2,703
Budget*	\$1,606,035	\$1,290,887	\$2,290,035	\$1,855,827
MTRC Test Ratio	1.25	1.30	1.29	1.34
Gas Savings (Dth)	0	14,159	0	19,425
Budget*	\$0	\$315,148	\$0	\$434,148
MTRC Test Ratio	N/A	2.52	N/A	2.61

Table 2: Summary of Forecasted Impacts: Home Performance with ENERGY STAR®

	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)	219,247	219,013	310,462	310,228
Electric Demand Reduction (kW)	410	410	466	466
Budget*	\$103,903	\$110,811	\$403,324	\$414,705
MTRC Test Ratio	0.65	0.66	1.02	1.02
Gas Savings (Dth)	19,248	19,263	19,248	19,263
Budget*	\$204,678	\$232,525	\$204,678	\$232,525
MTRC Test Ratio	0.82	0.82	0.85	0.85