

➤ **Summary of 90-Day Notice: Energy Star® Retail Products Platform**

The following 90-Day Notice summarizes the Company's action to terminate the ENERGY STAR® Retail Products Platform product.

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

[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)

It is the Company's intent to discontinue the ENERGY STAR® Retail Products Platform ("ESRPP") Product. The Product has not demonstrated cost effectiveness and efforts to improve the program through demonstrating market transformation have not been fruitful. The Company will not be transitioning any of the retail products offered through ESRPP to prescriptive measures due to failing cost effectiveness.

Sunsetting the ENERGY STAR® Retail Products Platform

ENERGY STAR® Retail Products Platform sought to increase market penetration and market transformation in retail markets for select in-home technologies. The goal was to provide an incentive to the retailer to entice sales of higher-efficiency equipment instead of standard equipment. This incentive could be used as a sales commission incentive, or to buy down the product price, or cushion the thin profit margins on appliances and equipment for participating retailers.

This product was filed in the 2019-2020 DSM Plan as an indirect product with the intention of demonstrating market transformation for the measures incentivized. ESRPP was previously administered as a pilot in the 2017-2018 DSM Plan. The Company was one of the early program sponsors of this national effort, beginning implementation of the pilot in June 2016. The company continually tried to refine ESRPP in order to achieve cost-effectiveness, including adding and removing measures, and controlling program administration costs, but it was never able to achieve cost-effectiveness. After monitoring the sales figures of the incentivized products for the duration of the pilot, the program failed to demonstrate either market transformation or cost effectiveness as intended in the 2019-2020 DSM Plan, resulting in its termination. Table 1 provides details of full-year cost-benefit analysis from 2018 illustrating the failing cost effectiveness of this product. Fundamentally there is not a sufficient energy savings spread between standard and ENERGY STAR® technologies to warrant continued program support.

The products that were incentivized through ENERGY STAR® Retail Products Platform included air cleaners, room air conditioners, dehumidifiers, dryers, freezers, refrigerators, sound bars, and washing machines. All incentives for these products will be discontinued.

**Table 1: 2018 Energy Star® Retail Products Platform Product Performance**

	2018	
	<i>As Filed</i>	<i>Actual</i>
Electric Savings (kWh)	2,866,581	3,015,823
Electric Demand Reduction (kW)	848	1,075
Budget*	\$1,092,064	\$1,268,597
MTRC Test Ratio	0.66	0.77
Gas Savings (Dth)	359	0
Budget	\$29,174	(\$1,031)
MTRC Test Ratio	0.22	0