

July 16, 2021



Higher Emissions Communities 60-Day Notice Summary Report

On May 3, 2021, Public Service Company of Colorado (“Public Service” or “the Company”) issued a 60-Day Notice (“Notice”) to update stakeholders regarding the Company’s development of the methodology for identifying higher emissions communities (“HEC”) that would be eligible for enhanced incentives under certain commercial and multifamily housing programs within the Company’s 2021-2023 Transportation Electrification Plan (“TEP”). This methodology resulted in an initial list of specific communities identified via census block data through the Colorado Department of Public Health and Environment’s (“CDPHE”) Climate Equity Framework. The HEC 60-Day Notice was issued in compliance with Decision No. C21-0017 in Proceeding No. 20A-0204E. The methodology will be implemented as proposed, with the adjustments described below, on July 16, 2021. The original Notice and accompanying documentation can be found on the Company’s website:

https://www.xcelenergy.com/company/rates_and_regulations/filings/transportation_electrification_plan

The Company received written comments on the Notice from the Colorado Energy Office (“CEO”), provided as Attachment A; collectively from the Southwest Energy Efficiency Project (“SWEET”), Western Resource Advocates (“WRA”) and the Natural Resources Defense Council (“NRDC”), provided as Attachment B; and from Lauren McDonnell, Climate Change Outreach Planner for CDPHE, provided as Attachment C. The Company appreciates the time, attention, and thoughtful review of the HEC 60-Day Notice from interested stakeholders. Verbatim excerpts from the comments are provided below. After careful consideration of the comments, the Company will adjust some of the language in the HEC 60-Day Notice based on the feedback obtained and provides the following responses to all comments received:

1. Comments Submitted by the Colorado Energy Office

The Company received one comment from CEO that included two separate suggestions for the Company to consider concerning the Higher Emissions Communities identification process and dissemination of the results. These comments are included sequentially below:

A. Addition to Proposed Identification Process

Comment:

On pages 7-8 of its 60-Day Notice, Public Service notes that “the Company will use an application process to allow for projects that are not in an identified [higher emissions community] to make the case that they are in fact located in a [higher emissions community] even though they were not identified by the Climate Equity Data Viewer.” Public Service identifies four questions that applicants must complete with a project application for consideration of this designation. Applications will be reviewed on a quarterly basis.

CEO respectfully requests the Company also permit entities, such as a government agency or a non-profit community-based organization, to respond to the four questions that would allow a community to be considered for designation even if it is not submitting a project. Such entities could include economic development corporations, community-based organizations, transportation management or planning agencies, neighborhood associations, or other organizations with a stake in the community. Requests would be considered quarterly, in conjunction with project application review.

By seeking this designation prospectively, this may draw additional investments to a higher emissions community not identified by Climate Equity Data Viewer. In general, entities in higher emissions communities, whether designated by the Company in this or future notices, already face barriers to transportation electrification, including installation of charging stations. This may include a lack of demand by tenants, lack of awareness of how charging or EVs operate, or upfront cost. An entity is more likely to install a charging station if it is aware that an increased rebate is available *before* making the decision to install. Therefore, the higher emissions community designation sends an important signal to those that would benefit most. Limiting the request for designation to those interested in installing charging creates additional barriers, including the additional effort required on the part of the applicant, uncertainty about whether the application will be approved, and the quarterly project review process. This recommendation also furthers statutory requirements to advance equity in transportation electrification. Importantly, CEO does not believe this recommendation significantly modifies the proposed process, departs from the spirit of the proposed process, or creates undue burden to consider.

Company Response:

The Company agrees with this recommendation and is amenable to having additional entities, such as a government agency or a non-profit community-based organization, to respond to the four questions that would allow a community to be considered for designation even if it is not submitting a project. We understand that this may help to reduce barriers to investment and further promote statutory considerations to advance equity in and widespread access to transportation electrification. In parallel, the Company acknowledges that it still intends for the Climate Equity Data Viewer to serve as the primary identification mechanism for HECs.

The Company proposes the following language in lieu of the original 60-Day notice:

The Company will also permit entities, such as a government agency or a non-profit community-based organization, to propose a community be considered for designation in this process even if it is not submitting a project.¹ In this case, an entity could be an economic development corporation, community-based organization, transportation management or planning agency, neighborhood association, or other organization with a stake in the community.

In order to apply for HEC designation, a project applicant or interested party, as described above, must complete an application that will be available on the Company's website. The Company proposes the application will include the following questions and will be offered on the website in Spanish and English and the applicant may compose their application in Spanish or English:

- 1. Identify either of the following, as appropriate:
 - a. the location of the potential project you believe is in an HEC.*
 - b. the location of the community you believe should be designated as an HEC.**
- 2. Describe the environmental burden(s) that affect the population in or around this location. The description may be up to one (1) page and the applicant may include additional pages of pictures or other visuals that may help describe the environmental burden.*
- 3. Identify the population or populations² that bear(s) a disproportionate environmental impact in this location. Applicant should select relevant attributes from the definition for disproportionately impacted populations. After selecting the applicable population segment that meets this definition, the applicant should further describe the prominence of the attribute or provide other details that explain their selection. The applicant may use data or provide stories or other anecdotes to substantiate their claim.*
- 4. Applicant should describe how the project that will utilize enhanced EV rebates will benefit the disproportionately impacted population described in question 3. If the applicant is an interested entity that is not submitting a specific project, the applicant should describe how transportation electrification will benefit the disproportionately impacted population described in question 3.*

B. Communication and Information Dissemination

Comment:

Beyond the specific identification process itself, CEO recommends the Company provide more details about the proposed outreach and communication plan for sharing which

¹ This addition is based on stakeholder input received during the 60-Day Notice process.

² This addition is based on stakeholder input received during the 60-Day Notice process.

geographies have been designated as a higher emissions community. Public Service has proposed a strong framework and process, however this is a new frontier for the Company to engage in. Many communities, neighborhoods, local governments, non-profit organizations and other entities may have interest in learning about this designation and resulting opportunities. Interested groups may include entities that have not engaged at the Colorado Public Utilities Commission or the Company's stakeholder meetings previously and are therefore unaware of this designation and process.

Further, communication, outreach, engagement, and information sharing are crucial to ensure the success of this and future TEPs, in addition to advancing electric vehicle adoption. This includes communication and outreach to relevant entities regarding the higher emissions communities designation and resulting TEP opportunities. From this perspective, CEO requests additional information from the Company including the following considerations:

- How will Public Service communicate the contents of the 60-Day Notice to communities, local governments, non-profits, and other interested entities?
- Will Public Service provide maps of higher emissions communities on its website?
- How will a member of the public be able to see if their business or community is within a designated higher emissions community with reasonable ease?
- Will any third parties who implement portions of the Company's TEP have access to this information?
- Can Public Service leverage the communication networks and community connections of stakeholders to help communicate the contents of the 60-Day Notice?

We encourage Public Service to engage in broad, comprehensive communication and outreach that is in plain-language, multilingual, and culturally competent. Additionally, CEO welcomes any opportunities to assist the Company in this regard, to help ensure greater, equitable success in the Company's first-ever TEP.

Company Response:

The Company acknowledges the importance of publicizing the results of the HEC identification process and the program offerings to which it pertains, which includes making the information accessible to as many interested and impacted stakeholders as possible.

The Company will be working closely with a third-party program implementer to communicate the contents of the 60-Day Notice to communities, local governments, non-profits, and other interested entities. Outreach efforts will include, but not necessarily be limited to, utilizing the Company's website, e-mail, bill inserts, and/or local events to communicate updates. The Company looks forward to formalizing its outreach plan in tandem with program implementation efforts and will leverage stakeholder communication channels to continue to refine this plan.

Public Service intends to make the list of census blocks that it has identified as HECs publicly available on its website alongside supplementary resources, such as a government-run website,³ that allow an interested party to understand if their business or residence is located within these designations. The Company will also provide static maps of the HEC designations that are accessible to the public. All third-party program implementers will have access to this publicly-available information. Additionally, Public Service appreciates the offer from several stakeholders to collectively leverage communication networks and community connections to help communicate the contents of the HEC 60-Day Notice and agrees that this could serve as a valuable resource to encourage widespread transportation electrification.

The Company agrees with the importance of broad, comprehensive communication and outreach that is in plain-language, multilingual, and culturally-competent terms and welcomes the assistance from CEO in executing outreach that meets this criterion.

The Company proposes the following language be added to the original 60-Day notice:

Communicating the Results of the HEC Identification Process

The Company will work closely with a third-party program implementer to communicate the contents of the 60-Day Notice to communities, local governments, non-profits, and other interested entities. Outreach efforts will include, but not necessarily be limited to, utilizing the Company's website, e-mail, bill inserts, and/or local events to communicate updates. The Company looks forward to formalizing its outreach plan in tandem with program implementation efforts and will leverage stakeholder communication channels to continue to refine this plan.

Public Service intends to make the list of census blocks that it has identified as HECs publicly available on its website alongside supplementary resources, such as a government-run website,⁴ that allow an interested party to understand if their business or residence is located within these designations. The Company will also provide static maps of the HEC designations that are accessible to the public. All third-party program implementers will have access to this publicly-available information. Additionally, Public Service will look to leverage the communication networks and community connections of stakeholders to help communicate the contents of the 60-Day Notice more widely.

³ <https://geocoding.geo.census.gov/geocoder/geographies/address?form>

⁴ <https://geocoding.geo.census.gov/geocoder/geographies/address?form>

2. Comments Submitted by SWEEP, WRA, and NRDC

Comment:

The Southwest Energy Efficiency Project (SWEEP), Western Resource Advocates (WRA) and the Natural Resources Defense Council support the proposed methodology for identifying Higher Emissions Communities (HECs) and the supplementary application process for potentially eligible projects to apply for enhanced support...

One element of the implementation of this proposal could be further improved: we anticipate that completing the application process may be a hurdle for otherwise eligible projects to obtain funding, simply because a disadvantaged business owner may not have the capacity to compile the necessary information for a successful application. We recommend that Xcel designate a Spanish-speaking point of contact for such business owners, who would be available to provide assistance with assembling a complete application. While we anticipate that low-income advocacy organizations will also be working to provide such assistance, we believe that having an Xcel employee available to provide advice will increase the number of successful project applications, particularly when coupled with targeted outreach via the Advisory Services portfolio.

Company Response:

We appreciate the suggestion and are aligned on the need to ensure that as many communities as possible have the resources they need to successfully apply. The Company will work to incorporate this suggestion into the scope of outreach work for any third-party implementers for the TEP's equity-focused programs.

The Company proposes the following language be added to the original 60-Day notice:

In order to facilitate a more successful application process for Spanish-speaking applicants, Public Service will work to incorporate bilingual application assistance into the scope of outreach work for any third-party implementers.

3. Comment Submitted by Lauren McDonell, Climate Change Outreach Planner, CDPHE

Comment:

Throughout the plan, I recommend shifting from the term "minority" to "people of color" or where appropriate, "communities of color." We are doing this with the final Climate Equity Framework and Data Viewer. Even though the census data uses "minority," it's considered by some to be disempowering and in many cases, inaccurate and there's a growing movement away from using the term.

On page 8, item #3, I suggest adding "population or populations."

Company Response:

The Company agrees and proposes the following language be added in lieu of the original 60-Day notice:

On page 5:

2. *The people that are affected belong to a disproportionately impacted population, identified by one or more of the following attributes⁵:*
 - a. *Income qualified; or*
 - b. *Status as a community of color;*

On page 6:

Characteristic incorporates numerous factors from the data set including population under four years old and over 65 years old, cancer risk, respiratory hazard risk, percent people of color...

On page 8:

3. *Identify the population or populations that bear(s) a disproportionate environmental impact in this location.*