

➤ **Summary of 60-Day Notice: Home Lighting and Recycling, Multifamily Buildings, and Energy Savings Kit**

The following 60-Day Notice summarizes the Company's action to update residential direct-install ("DI") lighting offerings and add additional lamp measures to the Home Lighting and Recycling product. In addition, the Company is updating the lifetime for screw-in LED lamps in the Home Lighting and Recycling, Multifamily Buildings, and Energy Savings Kit products.

The Company is including with this Notice:

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

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

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

These updates also impact the Home Energy Squad, School Kits, and Single-Family Weatherization products which have individual notices being filed concurrently. The impacts to these products are documented in their individual notices.

CFL Replacement

Compact fluorescent lights ("CFLs") will now be included in the list of lamps that can be replaced through DI in all programs. Initially the focus will be adding this baseline option to Home Energy Squad, Multifamily Buildings and Single-Family Weatherization, however the Company intends to add this baseline option to all future DI lamp measures. The DI offering provides qualifying customers installation of energy saving measures such as aerators, showerheads, and LEDs. Currently, only halogen or incandescent lamps can be replaced with LEDs offered through DI, but customers have shown interest in a CFL to LED measure. The Company anticipates this change will lead to additional, cost-effective energy savings providing more customers the opportunity to realize the benefits of energy efficiency.

Home Lighting and Recycling Additions

The Company will add LED moguls, LED pin-based lamps, and LED fixtures such as retrofit kits to our product offering mix to give customers more purchasing options. Offering discounts on these types of lamps will help encourage customers to make the switch from inefficient technology and save energy and money. The forecast summary for linear tubes ("TLEDs") has also been updated to reflect the market weighting between residential and commercial customers found in a U.S. Department of Energy Lighting Market Characterization study¹.

Lifetime update

In anticipation of the Energy Independence and Security Act ("EISA") efficiency standards scheduled to go into effect on January 1, 2020, which would have eliminated halogens from the market, the Company filed the 2019/2020 DSM Plan with reduced lifetimes for screw-in LED

¹ https://www.energy.gov/sites/prod/files/2017/12/f46/lmc2015_nov17.pdf

lamps. The Department of Energy’s (“DOE”) final EISA ruling issued at the end of 2019 determined that the EISA backstop had not be triggered and that the DOE would not create a new efficiency standard leaving the 2012-2014 standards in place.

Prior to the DOE ruling, the Colorado Legislature passed House Bill 19-1231 which sought to implement the same standards that would have been triggered by the EISA backstop. The Company hosted a stakeholder meeting in December 2019 to discuss the impacts of the DOE ruling on HB 19-1231. During that meeting, it was determined that the DOE’s ruling established a federal preemption on lights covered by the EISA standards – meaning A-line lamps are exempt from the HB 19-1231 standards – however, bulbs not covered by EISA (reflectors, globes, candelabras, and other specialty bulbs) are still subject to the HB 19-1231. Market research conducted the first half of 2020 has also verified that incandescent and halogen options for all bulb types remain readily available within Colorado.

In response to the DOE’s ruling, stakeholder feedback, and market research, the Company will revert to its standard methodology to calculate the lifetime for A-line LEDs based on the rated lifetime hours divided by the hours of use. The lifetimes for Home Lighting and Recycling are calculated using the average rated lifetime for sales that occurred during the program year, and the lifetime calculations for other products use the rated lifetimes for the bulbs that are being installed by vendors or distributed by the product. For specialty bulbs subject to HB 19-1231 standards, the Company will apply a reduced lifetime calculated based on a 3-year phase out prescribed in HB 19-1231 beginning in 2021. These changes will be applied retroactively to savings effective January 1, 2020, to align with the 2020 DSM program year.

Table 1: Summary of Forecasted Impacts: Home Lighting and Recycling

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	68,638,979	72,145,360
Electric Demand Reduction (kW)	9,671	10,314
Budget*	\$3,233,061	\$3,367,443
MTRC Test Ratio	2.16	3.75

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

Table 2: Summary of Forecasted Impacts: Multifamily Buildings

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	11,569,634	11,872,878
Electric Demand Reduction (kW)	1,381	1,425
Budget*	\$1,585,986	\$1,448,889
MTRC Test Ratio	1.33	1.68

*See note above

Table 3: Summary of Forecasted Impacts: Energy Savings Kit

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	1,300,302	1,249,691
Electric Demand Reduction (kW)	164	158
Budget*	\$114,523	\$114,452
MTRC Test Ratio	1.23	3.06

*See note above