

➤ **Summary of 60-Day Notice: Smart Thermostat Controls**

The following 60-Day Notice summarizes the Company's action to add new smart thermostat offerings in order to expand customer segments that are eligible to participate in related energy efficiency and demand response 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

The Company is offering a new demand response product – Small Commercial Building Controls – as well as adding new measures existing demand response and energy efficiency products in order to expand customer segments that are eligible to participate in its Demand Response program through a more holistic smart thermostat strategy. Affected existing products include: Residential Demand Response, Commercial Refrigeration Efficiency, Lighting - Small Business, Business Energy Analysis, Multifamily Buildings, and Thermostat Optimization.

In general, the Demand Response products will capture the dispatchable demand savings associated with smart thermostats while the related energy efficiency savings will be captured through new measures in related Energy Efficiency products. The new offerings will share costs between products to accurately align costs with claimed savings in each product.

Small Commercial Building Controls

The Small Commercial Building Controls product will provide simple demand management solutions that are more accessible to small commercial customers than the Company's larger performance-based demand response programs. This product will initially consist of thermostat-controlled demand response measures with planned additions of dispatchable demand response measures as they become more available.

The smart thermostat demand response measures will be offered through a new direct install channel under the Demand Response program in addition to leveraging existing direct-installation channels in the Business Energy Efficiency program. Customers will receive a free thermostat installation and be enrolled in the Company's Demand Response program. Customers will also receive a recurring prescriptive incentive in the form of a bill credit for remaining enrolled in the program.

Table 1: Summary of Forecasted Impacts: Small Commercial Building Controls

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	N/A	23,694
Electric Demand Reduction (kW)	N/A	1,601
Budget*	N/A	\$146,898
MTRC Test Ratio	N/A	2.10

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

Residential Demand Response

The Company will add measures for attached homes such as duplexes and townhomes as well as multifamily facilities in the Residential Demand Response product under the AC Rewards offering. The Company wants to expand customer segments that are eligible to participate in the Residential Demand Response product. The new measures will operate like existing AC Rewards measures reducing system load by curtailing central air conditioner load at peak times through controlling thermostat set points.

Table 2: Summary of Forecasted Impacts: Residential Demand Response

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	53,834	55,938
Electric Demand Reduction (kW)	14,517	15,148
Budget*	\$8,694,000	\$8,893,253
MTRC Test Ratio	1.83	1.53

*See note above

Business Energy Analysis, Commercial Refrigeration Efficiency, & Lighting – Small Business

The Company will add direct-install smart thermostat measures offered to eligible customers through existing direct installation channels. Eligible customers will receive a free thermostat installation through either an Energy Analysis audit or a Commercial Refrigeration audit if the equipment is enrolled in the Company's Demand Response program upon installation.

Table 3: Summary of Forecasted Impacts: Commercial Refrigeration Efficiency

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	2,911,442	2,940,220
Electric Demand Reduction (kW)	516	514
Budget*	\$209,683	\$210,409
MTRC Test Ratio	1.44	1.45
Gas Savings (Dth)	5,630	5,830
Budget*	\$21,666	\$22,580
MTRC Test Ratio	2.16	2.18

*See note above

Table 4: Summary of Forecasted Impacts: Small Business Lighting

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	39,157,646	39,444,562
Electric Demand Reduction (kW)	6,107	6,107
Budget*	\$3,324,720	\$3,333,540
MTRC Test Ratio	1.23	1.23
Gas Savings (Dth)	3,147	4,611
Budget*	\$244	\$7,679
MTRC Test Ratio	16.14	12.50

*See note above

Multifamily Buildings

The Multifamily Buildings product will now offer Company approved smart thermostats as part of direct install. The eligible smart thermostats can be installed at no additional cost in the commercial areas of the properties as well as the residential units if the equipment is enrolled in the Company's Demand Response program upon completion of installation. Smart thermostats outside of these requirements will not be installed or rebated as part of the Multifamily Buildings product. The customer of record who is responsible for payment of the utility bill will receive a recurring prescriptive incentive in the form of a bill credit for remaining enrolled in the Company's Demand Response program. The new measures will share costs across product to accurately align costs with claimed savings in each product.

Table 5: Summary of Forecasted Impacts: Multifamily Buildings

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	11,521,450	11,569,634
Electric Demand Reduction (kW)	1,339	1,381
Budget*	\$1,561,390	\$1,585,986
MTRC Test Ratio	1.34	1.33
Gas Savings (Dth)	49,636	53,636
Budget*	\$921,036	\$1,013,430
MTRC Test Ratio	2.86	2.91

*See note above

Thermostat Optimization

The Company will add new measures to the Thermostat Optimization product that will capture energy efficiency savings from smart thermostats direct-installed through the Residential Demand Response product in single-family residences and attached homes.

Table 6: Summary of Forecasted Impacts: Thermostat Optimization

	2020	
	<i>As Filed</i>	<i>Revised per 60-day</i>
Electric Savings (kWh)	1,573,726	1,817,574
Electric Demand Reduction (kW)	1,761	2,094
Budget*	\$136,711	\$250,503
MTRC Test Ratio	1.69	1.79
Gas Savings (Dth)	51,606	55,275
Budget*	\$74,639	\$118,660
MTRC Test Ratio	1.72	1.75

*See note above