

## ➤ **Summary of 60-Day Notice: Small Commercial Program**

**Note: Since issuing the 60 Day Notice to stakeholders for consideration, the Company did not receive any formal comments from stakeholders that would modify the Small Commercial Program<sup>1</sup>. As a result, the Company provides the original 60 Day Notice as the final notice for the Small Commercial Program and will move forward with program planning and implementation.**

The following 60-Day Notice summarizes Public Service Company of Colorado's ("Public Service" or the "Company") action to update Parties on the Company's development of a Small Commercial Program offering to be incorporated into the Company's 2021-2023 Transportation Electrification Plan ("TEP") as approved by the Colorado Public Utilities Commission ("Commission") through Decision No. C21-0017.

A copy of this notice will be available on our website at:

[https://www.xcelenergy.com/company/rates\\_and\\_regulations/filings/transportation\\_electrification\\_plan](https://www.xcelenergy.com/company/rates_and_regulations/filings/transportation_electrification_plan)

### Small Commercial Program

In the Partial Settlement Agreement that was later accepted into the case by the Commission in the form of a stipulation, the settling parties agreed to the concept of a small commercial program offering, stating that "the Company will develop a small commercial program offering, proposed through the 60/90 Day Notice Process."<sup>2</sup> Furthermore, in agreement with recommendations from the Colorado Energy Office ("CEO"), the Commission stated that "we direct the Company to include access for smaller MFH [multi-family housing] buildings as a topic for the quarterly stakeholder meetings."<sup>3</sup> The objective of several recent conversations with stakeholders, and this 60-Day Notice, is to encourage adoption of electric vehicles ("EV") by helping to reduce the upfront costs of charging infrastructure incurred by small businesses, MFH sites, and other small commercial sites whose needs may not be adequately met by other EV programs already approved by the Commission.

Through this 60-Day Notice, Public Service is providing a description of its Small Commercial Program, planned outreach strategies, the internal process to review and evaluate submitted applications, and the metrics that Public Service will report on and provide to stakeholders through its semi-annual TEP reporting. To inform this proposal, the Company conducted several individual meetings with stakeholders to present a draft Small Commercial Program design (rebate structure), gathered input, as well as presented and solicited input from stakeholders at a TEP Quarterly Stakeholder meeting held on June 23, 2021.

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<sup>1</sup> The Company received one comment during the 60-Day Notice process, which was in support of the Small Commercial Program from the Southwest Energy Efficiency Project (Attachment A).

<sup>2</sup> Paragraph 30, Partial Settlement Agreement, Attachment A to the Joint Motion to Approve Partial Settlement Agreement, Proceeding No. 20A-0204E.

<sup>3</sup> Paragraph 261(a), Decision No. C21-0017, Proceeding No. 20A-0204E.

## ➤ **Small Commercial Program**

### **A. Program Description**

As a part of the Partial Settlement Agreement, the Company received requests to develop a small commercial program offering to support small businesses, smaller MFH sites, and other smaller commercial customers. The concept of a small commercial offering was supported by the CEO; Energy Outreach Colorado (“EOC”); the City and County of Denver (“Denver”), the City of Boulder (“Boulder”), the Environmental Organizations (which includes Western Resource Advocates, Sierra Club, and the Natural Resources Defense Council); the Environmental Justice Coalition (which includes the Colorado Latino Forum, GreenLatinos, GRID Alternatives, and Vote Solar) (“EJC”), the Joint EV Charging Providers (which includes Enel X, EVBox, and Greenlots) (“JEVCP”); and the Southwest Energy Efficiency Project (“SWEEP”)

Based on research from Guidehouse and the Company’s experience on commercial charging, the average cost of EV supply infrastructure (“EVSI”) to support a level 2 (“L2”) charging port in fleet and workplace contexts is on average estimated to be about \$5,000, though with large cost ranges around that average given the unique contexts of many customer sites and projects. Furthermore, charging equipment can add notable costs in addition to the infrastructure requirements. Combined, these costs often present a significant barrier to adoption of charging stations by small businesses and other smaller commercial sites. This proposed program, in conjunction with the TEP’s Advisory Services Program for fleets and workplaces, will work to decrease the cost barrier and provide educational support to increase the number of smaller commercial sites installing EV charging ports.

The Company proposes a Small Commercial rebate that will cover a portion of eligible EVSI costs for customers seeking to install one, two, or three charging ports, with additional funding available to also help offset the costs of the charging equipment in support of equity goals. Specifically, the Company proposes to provide a rebate of up to \$2,500 per port, or 50 percent of the average per-port costs of \$5,000, with additional funding (an “Enhanced Equity Rebate”) of \$2,000 per L2 charging station for income-qualified customers or customers located in higher emissions communities (“HEC”). The table below provides additional details regarding the rebates offered. The Small Commercial Program will not have a four-port minimum eligibility requirement, as is the case for other MFH and Commercial TEP programs. However, the program will have a three-port per site cap.

**Table 1: Small Commercial Program Rebates**

<b>Number of ports</b>	<b>Standard Rebate</b>	<b>Enhanced Equity Rebate</b>
1	Up to \$2,500 for EVSI costs (no charger support)	Up to \$2,500 for EVSI costs + \$2,000 for L2 charging station
2	Up to \$5,000 for EVSI costs (no charger support)	Up to \$5,000 for EVSI costs + \$4,000 for L2 charging stations
3	Up to \$7,500 for EVSI costs (no charger support)	Up to \$7,500 for EVSI costs + \$6,000 for L2 charging stations
4	No rebate [eligible for other MFH or Commercial TEP programs]	No rebate [eligible for other MFH or Commercial TEP programs]

The Company proposes these rebate amounts to provide meaningful support to customers to help reduce the upfront cost hurdles to EV adoption and for income-qualified and customers located in HECs, to address the additional costs associated with L2 charging stations. Rebate structure and program design elements were determined in coordination with the existing Alt Fuels Colorado grant program administered by the Regional Air Quality Council (“RAQC”) and CEO and conversations with these organizations and other stakeholders. Ongoing coordination between the Company, RAQC, and CEO will be vital to ensure effective customer education, as well as efficient and equitable distribution of funds.

Equity considerations will weigh heavily on the distribution of funds, as highlighted in the sections describing outreach plans below. As established for other TEP programs, the Small Commercial Program will seek to dedicate a portion of the budget to income-qualified customers and customers located in HECs. The Company hopes to maximize support provided to customers eligible for Enhanced Equity Rebates. In order to qualify for an Enhanced Equity Rebate, customers will need to meet one of the following eligibility requirements, similar to other MFH and Commercial TEP programs:

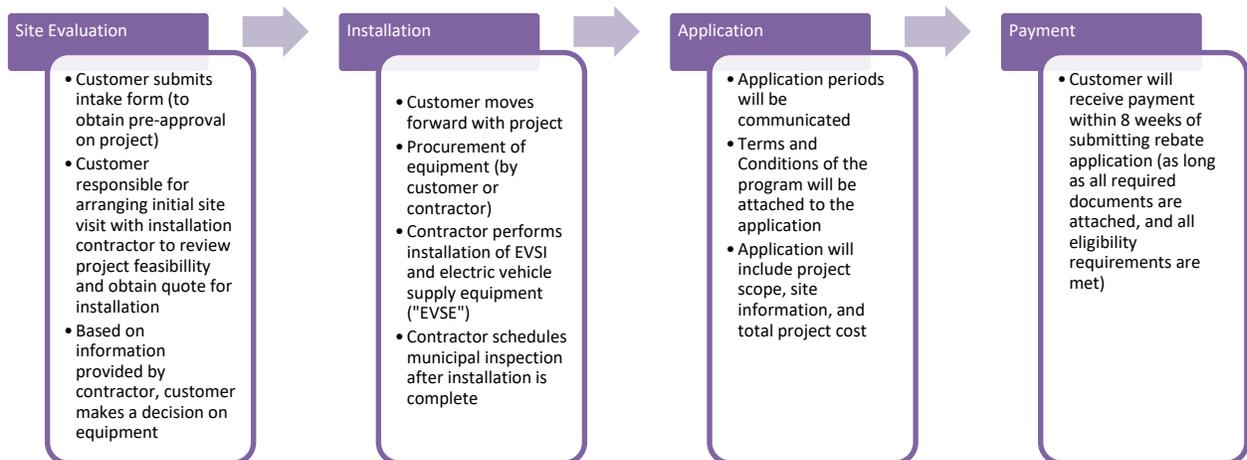
- **Income Qualification:** For MFH customers, an income-qualified customer must have participated in affordable housing weatherization, multifamily weatherization, or affordable housing rebate program in the last five years, or currently meet income qualification requirements for those programs. For other commercial customers, an income-qualified customer must demonstrate that such customer is a non-profit eligible to participate in Xcel Energy non-profit efficiency programs or is a public organization that provides services to income qualified customers or communities.
- **Located in a Higher Emissions Communities:** The project must fall within one of the census blocks identified as HECs by the Company in the HEC 60-Day Notice. Interested customers or stakeholders may also apply to designate additional areas as HECs using the process outlined in the HEC 60-Day Notice. If these additional HECs are approved, then projects falling within these new designations will therefore become eligible.

Customers will apply for rebates through the Company’s open application process and provide site information, project details, as well as total project costs. Applicants will be asked to provide information on equipment installed as well as total project cost. Application assistance will be made available to customers through the Company’s outreach efforts described below.

The Company will create an intake form for this program and will encourage applicants to provide information about their project(s) prior to proceeding with the installation. The Company’s project managers will evaluate project feasibility and validate customer’s eligibility for this program based on the customer’s load profile as described below.

Once the infrastructure is in place and the charger(s) have been purchased and installed, the customer will need to submit the application and all relevant invoices to the Company which will be reimbursed according to the Terms and Conditions of the program.

**Figure 1: Small Commercial Program Process**



**B. Program Budget**

The Company proposes to rely on the approved budgets for the TEP’s Commercial portfolio each year, inclusive of the budget flexibility items approved by the Commission through Decision No. C21-0017. The authorized Commercial portfolio budgets for 2021, 2022, and 2023 are \$10.1 million, \$16.7 million, and \$23.3 million, respectively. The TEP provides for full programmatic flexibility, portfolio flexibility (up to 150 percent of annual budgets), and overall TEP budget flexibility (up to 125 percent of annual budgets). The Company hopes to support a few Small Commercial Program participants in 2021, roughly 25 in 2022, and roughly 75 in 2023, with an overall program budget in the range of approximately \$1 million. As with other TEP programs, the program budget will depend on customer demand and the types of projects applying for support (i.e. eligible income-qualified customers/projects or market-rate customers). Funding to support this effort will be recovered through the Commission-approved Transportation Electrification Programs Adjustment (“TEPA”) rider. Public Service will earn a return on rebates issued through this program in accordance to the treatment of rebates in other Commission-approved TEP

programs.

### **C. Outreach and Education Efforts**

The Company will use several channels for outreach and education about this program, including but not limited to:

- Program information on the Company's website.
- Printed and digital brochures.
- Engagement with the Company's staff, partner organizations and vendors via presentation and email.
  - A Webinar presented by Company staff prior to application launch will take place upon completion of the 60-Day Notice process and will be made available to all Public Service customers.
- Presentations to key organizations including but not limited to:
  - Clean Cities Coalition (Department of Energy local alternative fuel programs)
  - Various small business associations
  - Internal Company organizations such as Account Management and Community Relations
- Considering potential co-marketing opportunities such as working with the RAQC and CEO.

Prior to launching the Program, the Company will release information on this program using the communication channels listed above, to allow applicants the opportunity to plan and develop a successful project.

There will be an intake form where customers will be able to provide information concerning their project, including but not limited to contact information, project interests and what EV program they are exploring. The intake form submitted by the customer will be reviewed by Company staff, and a member of the team will reach out to the customer to begin working through their project ideas. The Small Commercial Program will be one of the programs identified on the Electric Vehicle Program Intake forms. The intake form for this program will be available in the fall of 2021.

### **D. Program Eligibility**

Using a standard application review process that centers on project evaluation and near-term project development, the Company expects to evaluate applications using the following considerations:

- Applicants must purchase EVSE from the Company's pre-qualified EVSE vendor list.
- Customer Load Profile - customer (establishment) cannot have exceeded 50kW in peak demand in the last 12 months on their utility main (electric meter).
- Income Qualification - a third-party vendor will provide eligibility for enhanced equity rebates to income-qualified customers and customers located in HECs.

- Impacts- whether the charging and operation of the station(s) will increase access to electricity as a transportation fuel, particularly for income-qualified customers and communities, and if it will take place in HECs.
- Costs- the estimated project costs per charging port.
- Additional funding sources – whether the project is being supported by any other public or private grants.
- The extent to which proposed projects will help achieve other considerations established in SB 19-077, including improving the use of the electricity grid, improving air quality and reducing emissions, and stimulating innovation and consumer choices in EV charging.

Applicants can receive support from the Company with their applications by contacting [EVrebates@xcelenergy.com](mailto:EVrebates@xcelenergy.com). The Company's goal is to make the application experience accessible to all eligible commercial customers and ensure equitable opportunities for participation.

Applications will be reviewed by a Company team of electric vehicle experts from the following areas:

- Project Management (Electric Vehicle Initiatives)
- Electrical Distribution
  - Planning
  - Design
- Account Management
- Electric Vehicle Product Development

The Company will coordinate with external organizations such as the RAQC and CEO throughout the application review process to ensure coordination between programs and that funds are distributed equitably. The Company will review this application process with these organizations to solicit feedback on eligibility considerations.

## **E. Reporting**

As part of the Company's semi-annual reporting on TEP programs, the Company proposes to track and report on the following metrics regarding participants in the proposed Small Commercial Program:

- Number of participants in the Small Commercial Program.
- Number and dollar amounts of rebates given by type, with income-qualified rebates differentiated.
- Number of charging ports supported.
- Average project costs based on invoices provided for rebate.
- Insights drawn from customer experiences.
- Any additional information required by the Partial Settlement Agreement and the Commission Decisions in this proceeding.

The Company also proposes to include the proposed program in the list of TEP programs that a third-party vendor will help evaluate on an ongoing basis.

**F. Stakeholder Involvement**

During the development of the proposed Small Commercial Program, the Company engaged numerous stakeholders to gather feedback and refine its approach. The table below summarizes stakeholder involvement:

**Table 2: Stakeholder Meetings**

<b>Stakeholder Group</b>	<b>Meeting Date</b>
Transportation Electrification Plan Stakeholder Group <sup>4</sup>	6/23/21
Colorado Energy Office	7/2/2021
SWEEP	7/2/2021

The Company also relied on discussions with small business owners in various jurisdictions in order to design the proposed program (rebate structure). Stakeholders provided input on the rebate structure, the process, and eligibility considerations. Several aspects of the Company’s approach were influenced or came directly from these conversations, including outreach plans, rebate levels, as well as ongoing support.

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<sup>4</sup> The TEP Stakeholder Group includes dozens of organizations spanning Colorado state government agencies, Colorado municipalities, environmental advocates, energy efficiency and electrification groups, other utilities, EV charging hardware and software providers, automobile manufacturers and dealerships, community groups, and many others. Over 100 individuals participated in the TEP Stakeholder Group meeting on April 27, 2021, and nearly 100 participated in the TEP Stakeholder Group meeting on June 23, 2021.