

➤ Whole Home Efficiency

A. Description

The Whole Home Efficiency product is targeted toward existing single-family homes in need of multiple energy efficiency improvements. By providing these customers with rebate incentives, the Company is able to incorporate a bundled, whole home approach to energy efficiency. Whole Home Efficiency is available to residential Xcel Energy account holders with combination electric and natural gas, electric only, or gas only service. Eligibility is dependent on the type of equipment installed.

The concept of the product is to provide the customer with one-stop for all of their home efficiency needs. This comprehensive approach requires an energy audit as a prerequisite which is then used to generate a list of recommendations. The customer may choose to complete this prerequisite through the Home Energy Audit product or a Home Energy Squad Plus visit. The contractor, who may also be the auditor, reviews the recommended improvements and completes the work. Some projects may receive an independent verification of the improvements after completion if a Quality Control (“QC”) inspection is performed. The contractor and homeowner may also request advice on recommended upgrades and rebates from the Energy Advising service offered through the Home Energy Audit product. Since this product requires an audit and deeper engagement from the customer, AMI interval data would greatly enhance the conversation and allow auditors to give customers an even better analysis of the energy usage within their home.

Trade contractors must complete the appropriate contractor trainings depending on the services they offer.

These trainings provide contractors with information on the product components, process, and diagnostic testing required as part of the efficient measure installations. All participating contractors must become a participating trade partner within Whole Home Efficiency before providing installations for participants in the product. A random sample of 10% of the contractor’s jobs will be inspected and verified. Once contractors have completed all necessary trainings and signed the agreement, they will be included on the approved contractor list, which is included in the customer packet and on the Company’s website.¹

B. Targets, Participants & Budgets

Targets and Participants

The product targets were developed based on the 2021 product results and the Company’s forecasted assumptions for increased participation as a result of the product redesign.

Budgets

¹www.xcelenergy.com/cotrades

The budget for this product is based on the 2021 expenditures and includes costs for third-party implementation, software, measurement and verification inspections, trade incentive rebates, and minimal product promotion.

C. Application Process

Customers interested in participating in Whole Home Efficiency must first complete a Home Energy Audit with blower door test or a Home Energy Squad Plus visit. The customer will be provided information on the Whole Home Efficiency product, tying the specific product requirements into the audit recommendations. The customer may then sign up for Whole Home Efficiency through their auditor at the time of the audit or any time thereafter using the online signup form. The customer will have two years from the Whole Home Efficiency enrollment date to complete the equipment installs and submit applications for rebates.

The Whole Home Efficiency product information, approved contractor list, and signup form are on the Company's website. Customers can only receive applications through their registered and approved contractor. Customers may also contact the Residential Customer Care center to request product information or guidance on how to obtain rebates.

D. Marketing Objectives & Strategies

The Company will provide product information through the website and implement low-cost marketing tactics when available. The Company will also provide Whole Home Efficiency information to the Customer Education team to promote at several "green" community events throughout the year. Trade partners may also be incentivized to identify participants that may not be aware of the "whole house option" through Whole Home Efficiency.

Other products such as the Company's Home Energy Audit product and Home Energy Squad Plus offering will offer information on Whole Home Efficiency. The Company will monitor product participation on a monthly basis and implement additional marketing tactics if necessary, to achieve the year-end target.

In addition, the Company will attempt to utilize the trade partners who have been trained and contracted to deliver this product to customers. This is viewed as the most important marketing channel for building awareness and participation in the product. As a result, the Company is offering incentives to participating installation contractors designed to increase the number of projects performed. These incentives provide contractors with additional motivation to promote the Whole Home Efficiency product.

E. Product-Specific Policies

The Whole Home Efficiency product leverages the Company's Home Energy Audit and Home Energy Squad Plus offerings, requiring an advanced in-home blower door audit as a prerequisite to product participation. Customers are eligible for a Home Energy Audit every two years. The

Company will provide the customer a list of contractors participating in the product; however, the Company does not guarantee the contractor's expertise or warrant any of the products or services, nor is one contractor promoted over another. The Company shall have no liability for contractor work or negligence. After the customer completes the audit and meets the product eligibility requirements, the customer may sign up to participate in Whole Home Efficiency.

Customers will receive the standard prescriptive rebate for all installed measures, with the exception of insulation product envelope measures. The Company is proposing that envelope measures be based on savings achieved. The Company is developing a rebate structure to encourage deeper weatherization retrofits that are based on tiered savings. If a customer installs three or more qualifying measures, the customer will receive an additional bonus rebate ~~of 10% of the prescriptive rebate amount for~~ on each measure completed within the two-year time period. The bonus rebate is a one-time offer for each measure completed.² The Company will not rebate pre-existing efficient equipment. Self-installations or installations done by non-registered contractors do not qualify for rebates.

The Company is looking into ways to provide a more comprehensive experience for our residential customers that simplifies the process of installing capital intensive energy efficient equipment. This may include an end-to-end solution where the customer chooses from any, or all, of the following as applicable:

- Advice and analysis of the available equipment options
- Financing
- Enrollment in Demand Management products
- Assistance with choosing qualified contractors
- Enrollment in green programs and/or warranty services.

F. Stakeholder Involvement

The Company periodically meets with the Cities of Boulder, Fort Collins, Greeley, and Colorado Springs, the Center for Resource Conservation, the Platte River Valley Authority, the Colorado Energy Office, the EPA, the DOE, Electric & Gas Industries Association, and the EEBC for product feedback. The Company plans to continue meeting with these organizations, and other stakeholders, for feedback to improve the product.

G. Rebates & Incentives

Whole Home Efficiency product rebates are prescriptive, with the exception of insulation product envelope measures and based on the specific measures installed. The rebate amounts and eligibility requirements will be communicated through the Whole Home Efficiency collateral including the rebate application.

²Qualifying equipment is subject to change and customer must participate under current product rules designated by the current year in which the install the additional measures.