

➤ Summary of 60-Day Notice: Commercial Refrigeration Efficiency

Public Service Company of Colorado (“the Company”) posts this 60-Day Notice to add a new “close the case” measure to the Commercial Refrigeration Efficiency product in the 2015/16 DSM Plan, effective January 1, 2016.

Commercial customers—such as large grocers—with open multi-deck style refrigeration cases can retrofit them to include doors to be more efficient. The doors are designed to fit directly onto the open multi-deck style cases with minimal case modification. The shelving and merchandise within the case remains the same, while the new (no heat) doors significantly reduce or eliminate air infiltration. With the retrofit, retail consumers are able to shop more comfortably because the aisle temperature is much warmer—likely a benefit to the commercial customers’ product sales. Retrofitting refrigerated cases with doors, as opposed to replacing entire cases, is appealing to grocers because of the minimal impact on operations during installation (e.g. the install could take place during the overnight hours), as well as lower capital costs.

This proposed measure addition results in the following forecasted impacts for the Commercial Refrigeration Efficiency product’s performance in 2016, including a slight increase in overall product cost-effectiveness.

Table 1: Summary of Forecasted Impacts

Commercial Refrigeration Efficiency	“Close the Case” Measure	Commercial Refrigeration Efficiency Product – 2016	
	2016	As Filed	Revised per 60-Day
Electric Savings (kWh)	1,195,625	9,797,162	10,992,787
Electric Demand Reduction (kW)	136	901	1,037
Budget* (\$)	\$148,960	\$1,882,895	\$2,031,855
MTRC Test Ratio	1.74	1.50	1.52

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

Included with this Notice, is the following document:

- Redlined Commercial Refrigeration Efficiency Write-Up;
- Redlined Commercial Refrigeration Efficiency Deemed Savings Technical Assumptions; and
- Electric Forecast Summary for “Close the Case” Measure.

These documents can be found on our website at the following link:

http://www.xcelenergy.com/Company/Rates & Regulations/Filings/Colorado_Demand-Side_Management

➤ Commercial Refrigeration Efficiency

A. Description

The Commercial Refrigeration Efficiency product offers refrigeration maintenance and upgrades to commercial customers with significant refrigeration loads, notably restaurants, and grocery, convenience, and liquor stores. Refrigeration systems in these targeted facility types typically account for over 50% of the facility's energy use and run 24 hours per day year-round.

This product consists of five major components:

1. *Free Onsite Energy Assessment* – Each customer will be offered a free on-site facility energy assessment and walk-through to identify and explain key energy efficiency opportunities. The assessment will be performed by a third-party implementer. A copy of the assessment report will be provided to the customer, and will include a prioritization of identified opportunities.

2. *Direct Install for Immediate Savings* – While onsite for the energy assessment, the third-party implementer will perform free installation of the following energy savings measures, where applicable:

- a. Screw-in LEDs for walk-in coolers/freezers;
- b. Pre-rinse sprayers for restaurant and commercial kitchens, and aerators in public restrooms and kitchen sinks; and
- c. Coil brush give-away and demonstration of appropriate use on refrigeration coils.

3. *Full Coil Cleaning* – As part of the onsite visit, the third-party implementer will perform a free coil-cleaning service, including materials and training for self-contained equipment. Cleaning condenser coils in self-contained units is estimated to save an average of 6% of the equipment's annual energy consumption, depending on the system and its condition. Since coil cleaning should be performed annually, we will provide customers with a coil cleaning brush, an instructional "How-To" sheet, and an onsite tutorial, to equip them with the tools and knowledge to complete this task on a regular basis using in-house staff. We will claim energy savings for the cleaning performed by the third-party implementer.

4. *Rebated Refrigeration Measures* – These measures are the core of the Refrigeration Efficiency product offering. In order to qualify for the rebate, the equipment must be professionally installed. These core measures include:

- Enclosed Reach-in Cases: The Company will rebate reach-in cases with doors when the customer replaces existing open multi-deck cases with equivalent storage (cubic feet or linear feet) **or adds doors to existing open multi-deck cases.**
- Night Curtains: Night curtains may be rebated when they are installed on open refrigerated cases to reduce heat transfer and mixing of air inside and outside the case during times of low store traffic. The rebate will be available for permanent, low emissivity (reflective) night curtain products only.

- Walk-in Electronically Commutated Motors (ECM): PSCo will rebate the replacement of evaporator fan motors with new, more efficient motors, (typically ECM) in walk-in coolers and freezers where none previously existed.
- LED Case Lighting: Rebates will be available for the installation of LED case lighting, including horizontal and vertical solutions, to replace existing mixed populations of older lighting technologies.
- Anti-Sweat Heater Controls: PSCo will rebate efficient anti-sweat heater controls installed on commercial cooler and freezer doors to prevent the door from fogging or having condensation buildup on the glass.
- Floating Head Pressure Controls: Rebates will be available for floating head pressure controls. The floating head pressure control will control the compressor pressure based on outside temperature.
- Evaporator Fan Motor Controls: The Company will rebate fan controls that limit the fan runtime to 100% baseline speed for 5,875 hours per year and 70% of baseline speed for 2,520 hours per year.

5. *Turn-Key Services* – The customer will be provided with proactive project management, by the third-party implementer, to assist with the implementation of prescriptive projects, including coordination between the customer, Public Service, and the installation contractors/trade allies to complete the improvements and submit rebate applications.

B. Targets, Participants & Budgets

Targets and Participants

The goals for this product were derived from historical data, market data, and equipment deemed savings values.

Budgets

Public Service plans to work with a third-party implementer to provide this product. The forecasted expenditures in 2015-2016 for this product are based on projected participation levels, promotion, and administration expenses. The majority of the product costs are for administration, vendor marketing/training, and customer rebates.

C. Application Process

The Company plans to promote the Commercial Refrigeration Efficiency product through the outreach efforts of a third-party implementer. Secondary outreach is likely to occur through the Company's Account Managers, Xcel Energy Business Solution Center's (BSC's) Energy Efficiency Specialists, contracted trade allies, and/or other marketing efforts such as mailings, newsletters, and the Company website.

The Commercial Refrigeration Efficiency product's application process will include:

1. *Customer Intake:* The Company will work with the third-party implementer to establish and follow a set protocol for receiving and qualifying customers who are interested in this product. Interested customers will be contacted to schedule an installation/assessment time.
2. *Identify Opportunities:* After completion of direct installation measures, the third-party implementer will use the assessment results to work with the customer and PSCo to identify deeper prescriptive savings opportunities.
3. *Turn-Key Support:* The third-party provider will offer proactive project management to assist with implementation of the prescriptive rebate projects, including coordination between the customer, PSCo, and the installation contractors/trade allies to complete projects and submit rebate applications.

D. Marketing Objectives & Strategies

The Commercial Refrigeration Efficiency marketing strategy is built upon the Company's and the third-party implementer's experience working in the Colorado market. The strategy incorporates best practices learned from similar refrigeration programs offered across the United States, and is integrated within the Company's larger marketing efforts. The Company and third-party implementer will develop targeted marketing collateral that may include sell-sheets, direct mail, e-mail communications, case studies, and leave-behinds.

The third-party implementer will use education and training to market the product while building trade ally and customer knowledge about energy efficiency technologies and encouraging better energy decisions.

Marketing Channels: The third-party implementer will use several marketing channels for the Commercial Refrigeration Efficiency Product, including:

Program Field Staff: Field staff will be the on-the-ground marketing team, conducting targeted outreach to relevant customer groups and industry associations in addition to working with customers.

Account Management and BSC Staff: The third-party implementer will build relationships with Public Service's Account Managers and BSC staff to drive customer participation. The product will also be promoted to applicable Lighting – Small Business participants to offer them more comprehensive savings opportunities.

Trade Partners: The third-party implementer will engage trade partners as early as possible through training to increase their ability to reach customers at an appropriate time so that the product can influence a buying decision.

Direct Marketing: PSCo will work with the third-party implementer to incorporate marketing materials into product training sessions, direct mailings to target customer segments (grocers, restaurants, convenience and liquor stores), and distribute at targeted locations.

Industry Associations: Public Service will work with the third-party implementer to develop relationships and marketing strategies with food service and sales associations to target the major players within the commercial refrigeration customer segment.

E. Product-Specific Policies

Commercial Refrigeration Efficiency has the following product-specific policies:

- All rebated equipment must be new and meet all product rules and requirements. The rebate application must be submitted within 12 months of the invoice date.
- Rebates assume a one-for-one replacement of retrofit fixtures that will result in energy savings.
- The product is available to retail business customers with electricity and natural gas service, or electricity service only. Gas only customers are not eligible for this product.

F. Stakeholder Involvement

There are relatively few trade allies who specialize in refrigeration, but Public Service will target this network, and use other marketing outreach as described in Section D above, to ensure that all organizations have the opportunity to participate.

G. Rebates & Incentives

Customers may apply for prescriptive and custom rebates for qualifying equipment. Third-party implementer project management services and direct installations will be performed at no additional cost to the customer.