Notification Date: May 22, 2013

➢ Summary of 60-Day Notice: High Efficiency Air Conditioning

Public Service Company of Colorado posts this 60-Day Notice to make the following changes to its High Efficiency Air Conditioning Product.

1. Public Service Company is changing the methodology to calculate the incremental capital cost for new equipment (Plan A), trade in equipment (Plan B) and ground source heat pumps to make these calculations more accurate. The incremental capital cost calculation will change from a cost per increased efficiency rating (SEER) to a cost per ton per increased efficiency rating (SEER) basis. Table 1 in the Deemed Savings has been updated to reflect this change. This change aligns the methodology used to determine incremental capital costs with methodology used to determine energy savings by incorporating size and the efficiency level into the calculation. It will not impact the approved goals or budget.

2. We are clarifying the losses associated with a non-quality installation of the Ground Source Heat Pump measure. The original Deemed Savings had a claimed savings factor, "Loss_No_QI", of 30.5% for *all* equipment. This change adds a "Loss_No_QI_GSHP" factor to the Deemed Savings to clarify that the claimed savings factor should be 14.5% for ground source heat pumps. This change removes the efficiency penalty for equipment sizing and refrigeration charge from the ground source heat pump measure because these parameters are related to cooling equipment.

3. The net-to-gross factor will be adjusted per the recommendations of the 2012 High Efficiency AC Program Evaluation from 89% to 68% for air conditioning units. Ground source heat pumps will continue to have a net-to-gross factor of 100%.

All of these changes are reflected in the redlined Deemed Savings Technical Assumptions and Forecast Assumptions updated as part of this 60-Day Notice. These changes will not impact the approved goals and budget for this product. They will take effect at the end of this 60-Day Notice period.