

EEBC POLICY ACTION COMMITTEE | June 4, 2020 @ 3:30pm – 4:30 pm

• AGENDA | MINUTES •

NEXT POLICY ACTION COMMITTEE MEETING DATE | As soon as the Xcel Energy 2021-2022 Energy Efficiency DSM Plan filing is submitted (July) members will have a chance to review the plan, develop a proposal for Changes. EEBC will schedule the next PAC meeting as soon it is filed.

| LEGISLATIVE UPDATE

Session Resumed May 26, 2020

- 3 weeks until budgets finished. Verbal confirmation that Beneficial Electrification and Building Benchmarking bill sponsors, Governor Polis and stakeholders are still excited and supporting for 2021 Session. Only budgets and COVID related bills scheduled; however, 2 exceptions we want to make you aware of:
- Ballot Initiatives likely to be brought for a vote: Ballot initiatives 284 and 297.
 - **FYI | 284** - One would disallow any state or local policies that would limit the infrastructure for natural gas or limit the use of natural gas. Both are approved for circulation to gather signatures.
 - Collecting enough signatures is likely since Governor Polis allowed electronic signatures.
 - Concerns/perspectives: Could open the door for energy codes to be eliminated or disallow any state government agency climate goals. Passed in AZ, etc. Will stop gas bands like in Berkeley, CA.
 - Heat Pump industry – if passes can only incentivize and not prohibit natural gas.
 - **FYI | 297** - Builders are required to offer electrification-ready equipment to home buyers – Heat Pumps, EV Charger, Solar, etc.
- **Energy Outreach Colorado** legislation proposed that would round up our bills to the nearest dollar to benefit Energy Outreach Colorado. It will still be “opt-out” and it will still specify that at least half of the proceeds will be used for energy efficiency improvements. It is on hold until the next session.
- **EEBC and Member Opportunity:** Let’s get started early on building support for bills with legislators for next year’s session. Develop your company support and testimony with the EEBC now! Our business voice influencing legislation starts in the Fall.

| REGULATORY UPDATE

XCEL ENERGY

Xcel Energy 2021-2022 Energy Efficiency DSM Plan

- Mark Detsky, Dietze & Davis P.C. (EEBC Legal Counsel) outlined your options to influence outcomes of incentives/rebates.

EEBC guidance to be presented at next Policy Call and Quarterly Membership Meeting on how to organize your new product or service application. [Xcel Energy's Product Development Form](#). Start early. Start now.

- New HP rebates planning to file include:
 - Dual Fuel Heat Pumps
 - Air Source Heat Pumps
 - Heat Pump Water Heaters
 - Electric Mini/Multi-Split Heat Pumps
- Reminder for members to review HVAC section for rebate amounts. Is it enough to “*move the market to purchase*”? Do contractors need an extra \$200 incentive for installs like the Boulder Program?
- [Xcel Energy's 60-Day Notices \[EEBC website\]](#) available for EEBC members to review and comment.

Mark Detsky noted that the 2021-2022 Xcel Energy DSM Plan is anticipated to be filed in JULY.

- Member action is needed when the DSM Plan is released.
 - Read your industry section and digest it.
 - Send concerns, recommended changes, new product ideas in a week to EEBC.
 - Coordinate your proposals with EEBC to be at the table with Xcel to submit plan changes.
 - Xcel will review, review, contact you with questions to finalize your submission. Then accept or deny.
- Other points of interest:
 - Proposed rate mechanisms to watch: DR (Demand Response), TOU (Time of Use), if “Opt-Out” of TOU customer goes to a flat rate, which we have now.
 - Xcel TOU rates go into effect with AMI Smart Meters as they are installed over the next 3 years. Important to watch for implications to DSM plans.
 - Xcel Energy and Black Hills Energy have filed their Vehicle Electrification Plans; they are planning to merge the TEP (Transportation Electrification Plan) and DSM plan.

XCEL ENERGY Q1 ROUNDTABLE MEETING

| DSM Plan Highlights

- Xcel Energy’s plans to expand Gas Energy Efficiency DSM
[Q1 Program Updates](#) | [Q1 Achievements](#) | [Q1 Presentation](#) | [Q1 Evaluation Presentation](#)

COLORADO BLACK HILLS GAS

Black Hills Gas filed the [DSM Plan for Years 2021-2023](#)

| Mark Detsky, Dietze and Davis P.C. (EEBC Legal Counsel)

- Kasey Provose, Energy Smart Colorado (ESC), is concerned and “against audit removal” from the plan. We are looking for auditors, contractors, implementers, and programs impacted by the removal of audits to support intervening parties like Colorado Energy Office and Energy Outreach Colorado.
 - Please note that comments can also be filed at any time until the docket is closed, regardless of party status.

Yesterday was the deadline to intervene in Black Hills Energy DSM Plan - EEBC is not formally an intervening party but will facilitate members’ engagement and support. EEBC can still submit public comments and collaborate with parties on issues that are of concern.

Energy Outreach Colorado, Colorado Energy Office, and Office of Consumer Council are parties to the proceeding. The primary concern for EEBC members right now is the utility removal of in-person energy audits.

EEBC members expressed the importance of energy audits in the portfolio. Those who are using the audits in their business have data of the value to homeowners and Black Hills programs. For example, audits lead to rebates.

Jason highlighted how Xcel Energy ruined the energy audit in the home performance program. There is no incentive for companies to do the energy audits because rebates are the same as home performance – cost has gone from \$1000 to \$800.

Black Hills Energy does their own walk thru audit and virtual audit online — Black Hills Gas wants to totally remove in-person energy audits. EEBC members need to provide data on the benefits of the Energy Audit and

Health and Safety concerns. A joint memo from members on the benefits would be helpful to demonstrate that energy audits are here to save money – the audit is like an x-ray of the home – diagnosis.

| MEMBER ACTIONS NEEDED

- Bring information into the process via memos and case study examples.
- Develop joint documentation with counterpart organizations that are part of the docket (Energy Outreach, CEO, etc.) to rally support.
 - Write a public letter about audits, the critical benefit part of the Energy audit/home performance program.
 - Jason and Debbie committed to start draft letters and garner more support from insulation companies.
 - Jason Oliver will put together some of the current issues around the incentive
 - Debbie offered their office for a group to meet in person to mobilize around the issue.
 - Kasey Provoze, Energy Smart Colorado, has drafted a [letter](#) and [assessment detail document](#) of the concerns of removing the in-person audits (Black Hills Gas) and adopting the virtual assessment - including health implications like virtual audits cannot identify carbon monoxide - which is causing deaths in Colorado.
 - Kasey will provide a cheat sheet on how to submit comments.
- Submit a public comment (joint memo) through EEBC to the PUC. EEBC will not intervene but will be part of the settlement discussion by providing a venue for members to participate, and help develop documentation and information, and key dates process for submitting materials.

DEADLINE: Needs to be done within one month to be incorporated into interveners' testimony preparations just as Testimony will be starting.

Mark added that organization comments bolstered with health and safety data, Black Hills Energy should pay attention. If they don't, then companies should submit letters-to the PUC.

| DEADLINES FOR EEBC MEMBERS

- Draft EEBC public letter, circulate with EEBC parties to endorse.
- Add letters of comment to endorse ESC, Kasey's letter.
- Comments due JULY 3rd
- Testimony Due in 6 weeks – Intervenors need the above in advance to work into their testimony

Mark suggested giving Michael Harrington, Senior Manager at Black Hills a heads up that members we will be sending comments.

1. 60-Day notice for virtual energy audit (Black Hills Electric)
2. 3-year DSM Plan to eliminate audit. (Black Hills Gas)

At the core of the problem is how audits are valued against cost effectiveness metrics; they provide indirect (non-energy benefits) instead of direct benefits that can be included in the cost-effectiveness benefits.

BEL-CO (BENEFICIAL ELECTRIFICATION LEAGUE OF COLORADO)

| Heat Pump Quality (QI) Install Training

- EEBC proposes additional market development/training for HVAC business owners and consumers to drive their engagement in the QI Trainings. Please join EEBC's subcommittee to develop and design these strategies statewide. **Contact Patricia@eebco.org.**

Feedback from members/stakeholders: Debbie noted that “we don’t know enough about it (beneficial electrification)” and what will it mean to our businesses? Where are the opportunities?

EEBC is looking at what is missing to engage contractors and consumers. Looking for HVAC to create a subcommittee of manufacturers and distributors to look at “what is needed for market development in the marketplace to consumers and contractors”.

BEST STRATEGIES FOR COLORADO'S EE BUSINESSES COMING OUT OF COVID-19

| Identify What Members Want to Discuss (Note: Topics covered by Holy Cross and BH Gas at June 25th QMM)

- [E2 Jobs Report](#) – impact on EE industry just came out. 9-14% loss of jobs in Colorado in April.
- How would you characterize for your business the real business case for electrification vs Dual Fuel?
 - Identify undercurrents and how members tap into those new business models?
 - How translates into DSM Programs?
 - What market development is necessary for companies to take advantages of these opportunities?
- Other topics?