

➤ Home Energy Squad®

A. Description

The Home Energy Squad product offers delivery and direct installation services of energy conservation measures to customers who seek to improve their home's energy efficiency, increase their comfort, and lower their utility bills. The Company pays for the cost of the measures and installation, while customers pay a fixed trip charge. Customers may also purchase additional measures that are priced individually.

The Home Energy Squad team will install a number of moderate-impact, low-cost measures for customers. The product seeks to enhance customer knowledge and assist customers in overcoming barriers related to making energy improvements, including: customer confusion about product choices, varying costs, and locating qualified installers.

The main product offerings include:

- Electric conservation measures:
 - LED bulbs of various types and wattages
 - Installation of a new, or temperature setback of an existing, programmable or smart thermostat
 - Advanced power strips
- Electric conservation measures, available for customer purchase:
 - Installation of additional programmable thermostats
 - Installation of additional or premium smart thermostats
- Natural gas conservation measures:
 - High efficiency showerheads
 - Low flow faucet aerators for the kitchen and bathroom
 - Installation of a new, or temperature setback of an existing, programmable or smart thermostat
 - Weather-stripping of one exterior door
 - Insulation blanket for the water heater
 - Temperature assessment and setback of the water heater
- Natural gas conservation measures, available for customer purchase:
 - Weather-stripping of additional doors
 - Installation of additional programmable thermostats
 - Installation of additional or premium smart thermostats

The product also offers virtual visits as a way to facilitate participation. Virtual visits are conducted via a videoconferencing tool provided by the third-party implementer, with a Home Energy Squad technician remotely accompanying a customer on a walkthrough of their home. Virtual visits are intended to lead to follow-on interactions, such as an in-home installation visit from the Home Energy Squad, a Home Energy Audit, or participation in other Company products. If such follow-on services have an associated customer co-pay or fee, the customer would pay them in accordance with the guidelines of the follow-on services.

The product will be another tool to help customers identify behavioral changes that may impact their energy rates. The product technicians will help customers identify smart meters, answer questions regarding time-of-use rates, and access online and phone resources provided by the Company.

B. Forecasts, Participants & Budgets

Forecasts and Participants

The product participation and savings forecasts were developed based on Colorado residential market size, historical participation, and experience with similar products in the Company's other jurisdictions.

Budgets

Budgets were determined by evaluating vendor cost estimates and potential participation levels in Colorado. A marketing budget is included for advertising, promotion, and outreach to generate awareness and drive participation in targeted areas. Primary budget drivers are:

- *Administration* – administration costs for the third-party implementer; internal labor and administrative costs; and the installation costs associated with energy efficient measures installed in customer homes.
- *Customer Incentives* – materials costs associated with the energy efficient measures installed in customer homes
- *Advertising and Promotion* – print, radio, broadcast, direct mail, interactive media, and event promotion.

C. Application Process

Customers sign up for a visit through the third-party implementer. During an in-home visit, the Home Energy Squad technician will work directly with the customer to determine which energy-saving measures will make their home more energy efficient. The customer pays a trip charge and if needed and desired receives a suite of energy-saving items such as LED light bulbs, high efficiency showerheads and aerators, etc. The installation labor and materials costs are paid to the third-party implementer by the Company. The third-party implementer reports the installation of energy-saving measures to the Company; therefore, the customer does not need to submit a post-project rebate application.

Customers may also sign up for a virtual visit, during which the Home Energy Squad technician will work directly with the customer to identify and prioritize energy-saving opportunities in their home.

D. Marketing Objectives & Strategies

Marketing objectives will focus on building awareness and product interest, in addition to driving customer participation. The Company intends to utilize an array of marketing channels for this product, including: bill onserts, email, newsletters/blogs, radio, social media, the Company

website, door hangers, sweepstakes, and/or promotional incentives, depending on participation rates. Targeted direct mail and telemarketing tactics may also be used. Call Center agents will direct any customers inquiring about this product to contact the third-party implementer using their toll-free number or website.

Local outreach products, such as Partners in Energy, are an important channel for building awareness and driving participation. Participating trade partners from other products are another important channel.

Cross-marketing opportunities exist with other products such as Whole Home Efficiency, Refrigerator Recycling, Home Energy Insights and School Education Kits. Concurrent appointments with a Home Energy Audit product technician are another opportunity for cross-promoting multiple products to increase awareness and drive stronger customer participation.

This product continues to explore Spanish-language marketing collateral and channels to reach a significant portion of the Company's customers who might not otherwise be aware of the product.

E. Product-Specific Policies

The Company will connect customers with the third-party implementer to begin the product engagement.

The technical assumptions will largely reflect those of other residential products such as Home Lighting & Recycling, Energy Efficient Showerheads, and Residential HVAC to consistently report measure costs and energy savings. Where technical assumptions from other residential products do not apply in direct install situations, direct installation-based technical assumptions will be utilized.

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 will partner with its existing array of customer and trade stakeholders regarding product design and implementation, awareness building and ongoing product feedback. This may include partnering with other utilities where the Company is the electric-only or gas-only provider, and customers are receiving gas or electric service from that other utility provider.

G. Rebates & Incentives

A customer co-pay will be required to receive direct-installed energy-saving items such as LEDs, high efficiency showerheads, etc. The customer co-pay covers the technician trip charge. This process differs from most prescriptive rebate products where the customer submits a rebate application after equipment is installed and operational. The third-party implementer will report the installed measures to the Company, and the Company pays the implementer directly for the equipment and installation costs. Therefore, the customer does not need to submit a post-project rebate application.