

➤ Home Energy Squad®

A. Description

The Home Energy Squad product offers installation services and discounted equipment costs to customers who seek to improve their home's energy efficiency, increase their comfort, and lower their utility bills.

The Home Energy Squad team will install a number of moderate-impact, low-cost measures for combination natural gas and electric, and electric-only, customers. The product seeks to assist customers in overcoming barriers related to making energy improvements. Such barriers include confusion on which products are right for their home, product cost and payback period, and finding 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 thermostat (primarily leading to cooling electric savings in summer months)
 - Advanced power strip
- Electric conservation measures, available for customer purchase:
 - ~~Power control timers for TVs & electronic accessories~~
 - Installation of additional programmable thermostats
 - Installation of a smart thermostat (primarily leading to cooling electric savings in summer months)
- Natural gas conservation measures:
 - High efficiency showerheads
 - Low flow sink aerators for the kitchen and bathroom
 - Installation of a new, or temperature setback of an existing, programmable thermostat (primarily leading to natural gas heating savings in winter months)
 - 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 a smart thermostat (primarily leading to natural gas heating savings in winter months)

This product offers the delivery and installation of energy conservation measures bundled within one package with flat pricing. The price contributes toward the technician trip charge; the Company pays for the cost of the base measures and installation. Customers may purchase additional measures that are priced individually.

The introduction of interval meter data will help educate customers on how and when they use energy. This will pair nicely with smart thermostats and will allow customers to better understand and appreciate the savings they can achieve through this program by providing more timely feedback.

B. Targets, Participants & Budgets

Targets and Participants

The product participation and savings targets 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 labor costs associated with installing energy efficient measures in customer homes.
- *Advertising and Promotion* – print, radio, broadcast, direct mail, interactive media and event promotion.
- *Incentives* – cost of the energy efficient measures installed in customer homes.

C. Application Process

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 receives a suite of energy-saving items such as LED light bulbs, high efficiency showerheads and aerators, etc. The installation labor and materials cost is 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.

D. Marketing Objectives & Strategies

Marketing objectives will focus on building awareness and product interest, in addition to driving customer participation. The Company will utilize several marketing channels for this product, including bill onserts, newsletters/blogs, radio, social media, and the Company website. Additional tactics may include door hangers, sweepstakes 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 programs, 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 Home Performance with Energy Star, Refrigerator Recycling, and School Education Kits. Concurrent appointments with a Home Energy Audit program technician are another opportunity for cross-promoting multiple products in order to increase awareness and drive stronger customer participation.

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

E. Product-Specific Policies

A Home Energy Squad participant must be a combination gas and electric, or electric-only, customer. 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 and Energy Efficient Showerhead to consistently report measure costs and energy savings.

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.

G. Rebates & Incentives

A customer co-pay will be required to receive the direct-installed energy-saving items such as LEDs, high efficiency showerheads, etc. This process differs from most prescriptive rebate programs 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 installation labor and materials cost. Therefore the customer does not need to submit a post-project rebate application.