



Xcel Energy Conservation & Optimization

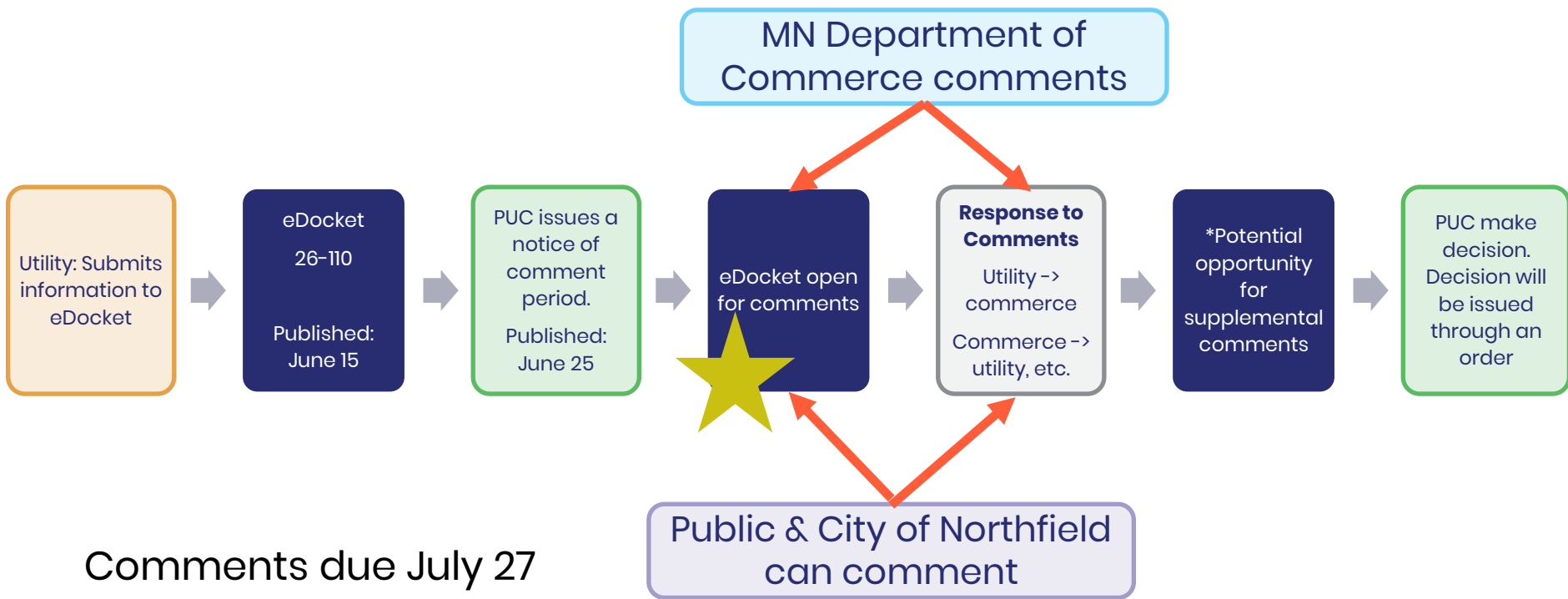
What is the Energy Conservation & Optimization (ECO) Plan?



- Investor-owned utilities are required by state statute to fill ECO plans every 3 years
- Covers both electric and natural gas customers
- Includes residential, commercial, industrial and income qualified programs



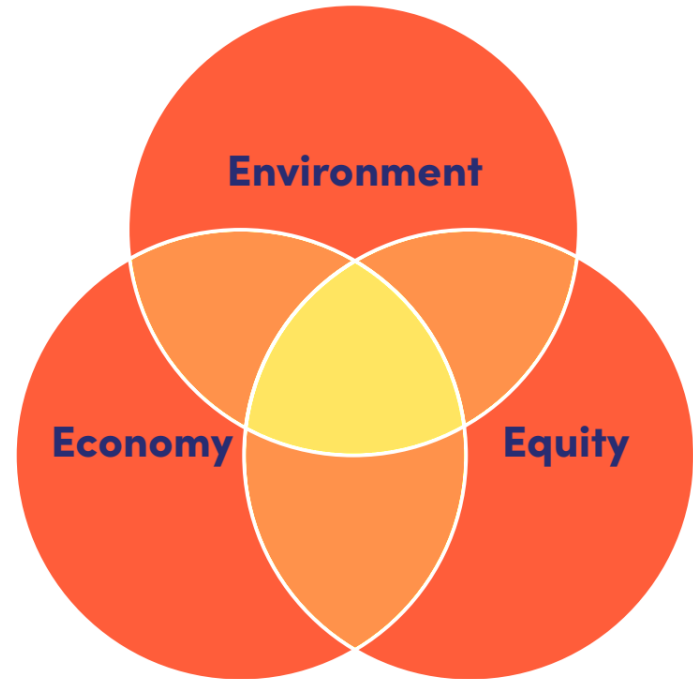
How does the Process Work



Why is Northfield Reviewing the Plan?



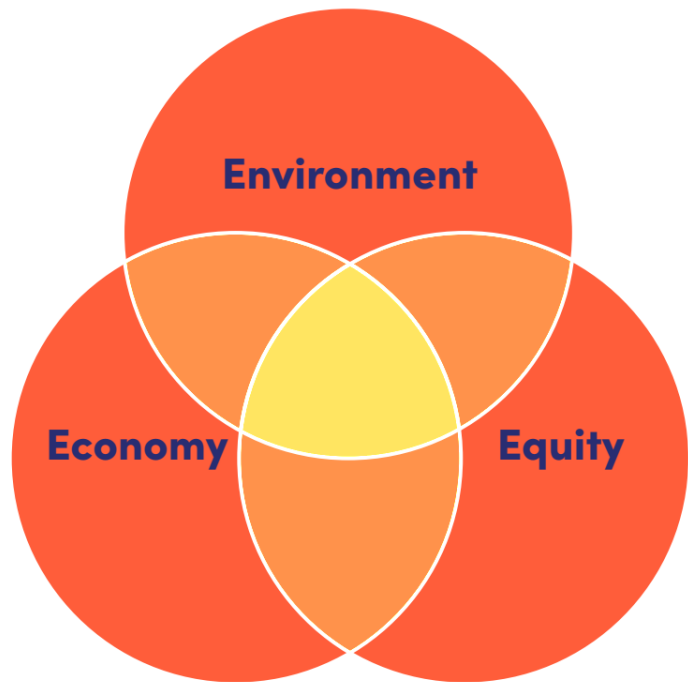
- **Comprehensive Plan & Climate Action Plan**
 - “residents and businesses have collectively decreased our greenhouse gas emissions and reliance on non-local energy sources through mitigation strategies”
- Influences electrification, energy affordability, and emissions reductions.
- Provides an opportunity to improve programs before they are finalized.



Themes in reviewing Xcel's ECO



1. Ensure access for income qualified households
2. Strengthen building decarbonization strategies
3. Improve program transparency & customer navigation
4. Greater Certainty for commercial customers



Residential Programs



Residential Programs: To provide residential customers with energy efficiency programs and incentives that reduce energy use, lower utility costs, and support adoption of more efficient technologies.

- Programs include:
 - Home Energy Squad
 - Energy efficiency rebates
 - Income qualified energy efficiency
 - Customer education

Residential Programs – Home Energy Squad



Home Energy Squad: Energy assessments to help residents identify opportunities to reduce energy use

- Proposed changes:
 - Greater emphasis on advisory service before/after assessments (pg. 73-75)
 - Expanded virtual assessment options (pg. 73/74)
 - Additional customer intake and screening process (pg. 73-75)
 - Continue direct install easy equipment measures (pg. 74)

Residential Programs – Home Energy Squad



Home Energy Squad: provides energy assessments to help residents identify opportunities to reduce energy use

- Support
 - Continue offering home energy assessments
 - Maintain energy advisors to help customers navigate programs
 - Direct install measures
 - Expand advisory services
- Clarifications/Recommendations
 - Unclear on proportion of virtual vs on-site assessments
 - More clarification around “wrap-around support”
 - Improve transparency around customer would receive information about efficient fuel switching

Residential Programs – Easy Equipment



Easy Equipment: prescriptive rebates and direct installation of low-cost energy efficient equipment (ie lights, faucet aerator, showerhead, etc.)

- Proposed changes:

- Continued electrification incentives for outdoor equipment (pg. 79)
- Greater use of mailed self install kits (pg. 84)
- New residential e-bike rebate (pg. 79/80)
- Closing the online storefront (pg. 83)

Residential Programs –Easy Equipment



Easy Equipment: prescriptive rebates and direct installation of low-cost energy efficient equipment (ie lights, faucet aerator, showerhead, etc.)

- Support
 - Continue rebates for outdoor equipment
 - New e-bike rebate
 - Mailing self-install kits for participants in virtual home energy squad
- Clarifications/Recommendations
 - Is the Home Energy Squad the only way to access the easy equipment with online storefront sunsetting
 - Clarify on what programs are within the storefront
 - E-bike rebate may be limited but unclear what that limit is

Residential Programs – Home Equipment



Home Equipment: rebates for larger energy improvements (heat pumps, induction cooking, water heating etc.)

- Proposed changes:
 - Phasing out air conditioner rebates by 2029 → transition to heat pumps (pg. 98)
 - Reducing rebates for natural gas furnaces (pg. 98)
 - Adding mini-split heat pump rebate (pg. 98)
 - Additional air to water pump rebates (pg. 98)

Residential Programs –Home Equipment



Home Equipment: rebates for larger energy improvements (heat pumps, induction cooking, water heating etc.)

- Support
 - Bonus rebate for insulation + Air Source Heat Pump
 - Increased insulation rebates
 - Moving towards air source heat pumps instead of standalone AC units
- Clarifications/ Recommendations
 - Induction stoves mentioned in appendix but not in narrative
 - Reduce furnace rebates but the rebate amounts between current (2026) and 2027 remain the same



Questions on Residential?

Income Qualified Segment



Income Qualified: Provides energy efficiency programs and services tailored to income-qualified households, with updates to program design, eligibility, incentives, and customer support for the 2027–2029 plan.

Xcel defines income qualified as households is 80% of less of area median income

- IQ Home Energy Squad & Advisory
- IQ Easy Equipment
- IQ Home Equipment
- IQ Multifamily building efficiency

Income Qualified Segment



Income Qualified: Provides energy efficiency programs and services tailored to income-qualified households, with updates to program design, eligibility, incentives, and customer support for the 2027–2029 plan.

- Proposed changes:
 - Income verification pathway through an instant verification platform by entering household and income information (pg. 181)
 - Expanding engagement in Automatic Bill Credit census block areas (pg. 181)
- Recommendations/Clarifications
 - Request more information on the income verification pathway

Income Qualified– Home Energy Squad



Home Energy Squad: provides energy assessments to help residents identify opportunities to reduce energy use

- Proposed changes:
 - Combine low-income home energy squad & Home Energy Saving Program (pg. 195)
 - Expanded direct-install services (pg. 195)
 - Adding upfront advisory services (pg. 195)

Income Qualified– Home Energy Squad



Home Energy Squad: provides energy assessments to help residents identify opportunities to reduce energy use

- Support
 - Expanded direct-installed services
 - Continues self-attestation for income qualification
 - Consolidation of Home Energy Savings program and Home Energy Squad into one program into one visit
- Clarifications/ Recommendations
 - Proposed upfront advisory process (adds another step to the current customer experience)
 - New intake steps may unintentionally reduce participation

Income Qualified– Easy Equipment



Easy Equipment: prescriptive rebates and direct installation of low-cost energy efficient equipment (ie lights, faucet aerator, showerhead, etc.)

- Proposed changes:
 - Consolidated existing direct install, retail, recycling and community distribution offering into a single IQ (pg. 194)
 - Expand products mix: Outdoor LED, laundry dryer balls and window film (pg. 194)

Income Qualified –Easy Equipment



Easy Equipment: prescriptive rebates and direct installation of low-cost energy efficient equipment (ie lights, dryer balls, showerhead, etc.)

- Clarifications/Recommendations
 - Concerned about the effectiveness of some of the measures as distributed energy saving products (ie dryer balls)

Income Qualified–Home Equipment



Home Equipment: rebates for larger energy improvements (heat pumps, induction cooking, water heating etc.)

- Proposed changes
 - Addition of new measures for insulation
 - Expansion of efficient fuel switching measures. Ex. Heat Pumps (pg. 200)

Income Qualified–Home Equipment



Home Equipment: rebates for larger energy improvements (heat pumps, induction cooking, water heating etc.)

- Support
 - No resident co-pay for weatherization measures
 - Expansion of insulation and air sealing measures
 - Added electric bike eligibility
- Clarifications/ Recommendations
 - Will IQ customers face additional barriers than market rate customers – e-bike example (pg. 199)



Questions on Income Qualified Segment?

New Construction Segment



Docket E.G999/CI-21-565

Requires all gas utilities to file an ECO modification mid-January 2027 to modify Single Family New Construction programs

Given this ruling, Northfield will provide comments on the new construction filing in January 2027



Commercial Customers

Business Energy Assessments



Business Energy Assessments: Evaluate buildings current energy use and identify opportunities for equipment upgrades or operational improvements

- Proposed changes:
 - Bundling projects: combines short- and long-term payback measures, allowing projects that would not qualify on their own to receive rebates (pg. 115)
 - Eliminating commercial streamlined assessments (pg. 116)

Business – Energy Assessment



Business Energy Assessments: Evaluate buildings current energy use and identify opportunities for equipment upgrades or operational improvements

- Support
 - Subsidizing assessments for large customers
- Clarifications/Recommendations
 - What are the copays for the business energy assessment?
 - Clarity around the difference between Commercial Streamlines Assessments vs ASHRAE Level 2 assessments (proposed replacement)

Business – New Construction



New construction: Consulting services and financial incentives for energy efficiency and electrifications.

- Energy Design assistances
- Energy efficient buildings
- Codes and Standards
- Proposed changes:
 - None
- Comments
 - Support and encourage more collaboration with Cities who manage development approvals

Commercial Electrification



Several commercial program provide incentives for replacing older equipment with high efficiency models

- Proposed Changes
 - New rebates for commercial users (pg. 139-140)
 - Heat pump rooftop units
 - Advance rooftop controls
 - Walk-in Freezers/coolers
 - Expanded rebates on food service equipment (pg. 139-140)

Commercial Electrification



Several commercial program provide incentives for replacing older equipment with high efficiency models

- Support
 - Adding heat pump rooftop unit rebate
 - Adding more foodservice equipment's rebates
- Clarifications/Recommendations
 - Ensure businesses understand available incentives through a single customer pathway
 - Continue prioritizing electrification technologies that replace fossil fuel equipment

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