2024-2026 ECO TRIENNIAL PLAN

MINNESOTA ELECTRIC AND NATURAL GAS ENERGY CONSERVATION AND OPTIMIZATION PROGRAM

Docket #E,G002/CIP-23-92

Xcel Energy®

Compliance Filing Update
January 29, 2024

414 Nicollet Mall
Minneapolis, MN 55401

January 29, 2024

—Via Electronic Filing—

Michelle Gransee
Deputy Commissioner
Minnesota Department of Commerce
Division of Energy Resources
85 7th Place East, Suite 500
Saint Paul, MN 55101-2198

RE: 2024-2026 MINNESOTA ELECTRIC AND NATURAL GAS ENERGY CONSERVATION AND OPTIMIZATION PLAN
DOCKET NO. E,G002/CIP-23-92

Dear Deputy Commissioner Gransee:

Northern States Power Company, doing business as Xcel Energy, respectfully submits to the Minnesota Department of Commerce, Division of Energy Resources this filing in compliance with the Deputy Commissioner's December 1 Decision regarding the 2024-2026 Triennial Plans for its Minnesota Electric and Natural Gas Energy Conservation and Optimization Plan.

With this filing, we provide a complete, clean version of the 2024-2026 ECO Triennial Plan (including updates to both Attachments A and B) as well as a redline versions with changes from the original filing, provided as Attachments C-L, that show all changes and corrections of known errors discovered during the regulatory review proceeding.

Included as part of this compliance are changes as required by the Deputy Commissioner's Decision, including:

- Program changes to technical assumptions (including deemed sheets and forecast technical assumptions) for Foodbank Distribution, Renter Kits, Refrigerator Recycling, Heat Pumps, Commercial Electric Lawn Mowers, and Electric Forklifts, as described in the Deputy Commissioner's Decision at Decision Point 7;
- Removal of e-bikes from the Outdoor Equipment program;

- Equipment specification adjustment to the minimum qualify efficiency from 18 SEER2 to 15.2 SEER2 for cold-climate air-source heat pumps (ccASHP);
- Additional small boiler rebate added as part of the Multi-Family Efficiency Program and Low-Income Multi-Family Efficiency Program; and
- Additional weatherization measures to our Low-Income Multi-Family Efficiency Program.

Additionally, the Company has updated the following:

- Modified our cost benefit analysis to include the corrected natural gas environmental damage factor from $3.80 to $3.83;
- Updated incentive amounts based on the Commission's January 24, 2024, Decision in Docket No. 08-0133;
- Updated the deemed sheet for water heaters to match the increase in kWh consistent with the cost benefit analysis; and
- Added the updated EnerChange budget as filed by EnerChange on June 28, 2023.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact me at Jessica Peterson at jessica.k.peterson@xcelenergy.com or Angela Smelser at angela.r.smelser@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

JESSICA PETERSON
MANAGER, PROGRAM POLICY

Enclosures
cc: Service Lists

CERTIFICATE OF SERVICE

I, Christine Schwartz, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

DOCKET NO. E,G002/CIP-23-92 & CIP SPECIAL SERVICE LIST

Dated this 29th day of January 2024

/s/

Christine Schwartz
Regulatory Administrator

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EXECUTIVE SUMMARY

Overview

Northern States Power Company, doing business as Xcel Energy (Company), submits to the Minnesota Department of Commerce, Division of Energy Resources (Department) our 2024-2026 Energy Conservation and Optimization (ECO) Triennial Plan.

This Triennial Plan continues the Company's long-standing commitment to energy efficiency. The programming and proposals detailed in this Plan build on the Company's established record of successful energy efficiency and demand response programming. In addition, they represent an exciting new chapter in utility-delivered programming in Minnesota, enabled by the landmark Energy Conservation and Optimization Act of 2021 (ECO Act). In combination, the various components of this ambitious Plan will achieve energy savings well above the minimum savings targets established in Minnesota Statutes and generate over $1.7 billion in net benefits.[1] Total annual spending and energy savings for the Company-administered portion of the portfolio are summarized in Table 1.

Table 1: Proposed Company-Administered Portfolio Budgets and Savings, 2024-2026[2]

		2024	2025	2026
Electric Spending		$135,640,027	$141,047,902	$147,294,579
Natural Gas Spending		$29,820,687	$31,603,116	$35,414,954
Electric Demand Savings (kW)		206,960	223,451	243,149
Electric Energy Savings (MWh)	First-Year	570,375	569,358	595,344
	Lifetime	8,954,889	8,938,924	9,346,905
Natural Gas Energy Savings (Dth)	First-Year	1,091,887	1,169,560	1,271,177
	Lifetime	15,360,340	15,762,865	17,204,888
Lifetime Cost of Saved Energy	Electric ($/kWh)	$0.0151	$0.0158	$0.0158
	Gas ($/Dth)	$1.9414	$2.0066	$2.0584

The total spending proposed for the Company's programs over this triennium is approximately $521 million. Including the expected costs of assessments and third-party programs increases the three-year total to $588 million. Among the drivers of the increase in spending relative to prior years are a significant increase in spending for income-qualified programs; increased budgets for commercial and industrial programs (particularly those helping customers identify and pursue holistic energy

[1] Net benefits based on the Minnesota Test, adopted as the primary test for cost-effectiveness. See Decision, *In the Matter of 2024-2026 Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities*, Docket No. E, G999/CIP-23-46, March 31, 2023. (Further referred to as 2023 Cost-Effectiveness Decision).

[2] Figures in Table 1 reflect only the Company-administered portions of the portfolio, omitting assessments and authorized Alternative CIP programs. Please see Table 2 for the total budgets and goals including assessments and Alternative CIPs. Electric and Natural Gas Spending in Table 1 includes both energy efficiency (EE) and efficient fuel switching (EFS) spending totals. Electric energy and demand savings include only impacts of EE and Demand Response; Natural Gas Energy Savings includes both EE savings and claimable Natural Gas Savings (net of electric consumption increase) from EFS measures.

savings opportunities); higher levels of spending for both residential and commercial demand response; and spending related to efficient fuel-switching, a new category of program activity enabled by ECO.[3] Despite the increase in total spending, the Company's overall portfolio remains highly cost-effective. As shown in Table 1, the lifetime cost of energy savings for both gas and electricity remain well below the commodity cost of energy, demonstrating that energy savings remain our most affordable energy resource.[4]

On the following pages, the Company provides brief historical context for its energy efficiency activity in Minnesota, a summary of the changes to Minnesota's conservation policy framework under ECO, and highlights of the major changes and additions included in this Plan. Finally, the tables at the end of this Executive Summary provide additional detail on the Company's proposed budgets and energy savings targets at both the segment and program levels.

Background: A Foundation of Achievement

For decades, Minnesota has been a national leader in energy efficiency. The state's utility-sponsored energy efficiency programs are among the longest-standing in the country, and Minnesota is the only Midwestern state that is consistently ranked in the top ten on the American Council for an Energy Efficient Economy's (ACEEE) State Energy Efficiency Scorecard. Minnesota utilities' energy savings achievements through demand side management (DSM) have saved billions of dollars for customers and avoided millions of tons of greenhouse gas and other pollutants while creating and supporting jobs in the state.[5] As Minnesota's largest electric utility and second-largest natural gas utility, Xcel Energy is proud of its contributions to these accomplishments, and equally proud to submit this 2024-2026 ECO Triennial Plan.

Although DSM activities in many states around the country have ebbed and flowed over time, Minnesota and Xcel Energy, as its largest utility, have maintained a consistent and high level of achievement. Between 1994-2022, the Company invested nearly $2.2 billion (nominal) resulting in 11,813 GWh of electric savings, 3,733 MW of electric demand savings and estimated 19.92 million Dth of natural gas savings. Xcel Energy's DSM portfolio has surpassed the statutory energy savings targets for both electricity and natural gas nearly every year since 2011.[6] Figures 1 and 2 provide an illustration of our recent expenditures and energy savings achievements through 2022, the approved 2023 targets, and the Company's proposed targets for 2024-2026.

[3] The Company notes that the significant inflation which has occurred since the filing of the 2021-2023 Triennial Plan also plays some role in the increase in program budgets, but it has not conducted a detailed analysis of the impact of inflation on portfolio costs.

[4] As of June 1, 2023 the Company's residential electric fuel cost charge was $0.05107 per kWh while the commodity cost of gas for residential customers was $2.3732 per Dth.

[5] The Aggregate Economic Impact of the Conservation Improvement Program 2008-2013, Minnesota Department of Commerce, Division of Energy Resources, Cadmus, October 2015. https://mn.gov/commerce-stat/pdfs/card-report-aggregate-eco-impact-cip-2008-2013.pdf.

[6] The exception being in 2019, in which year natural gas savings were 0.81 percent of sales. See *Analysis, Recommendations, and Proposed Decision* of the Staff of the Minnesota Department of Commerce in the Matter of Xcel Energy's 2022 Conservation Improvement Program Status Report (Docket No. E,G002/CIP-20-473, May 22, 2023), Tables 23 and 24 (pp. 20-22).

Figure 1: ECO Electric Achievements, 2007-2026

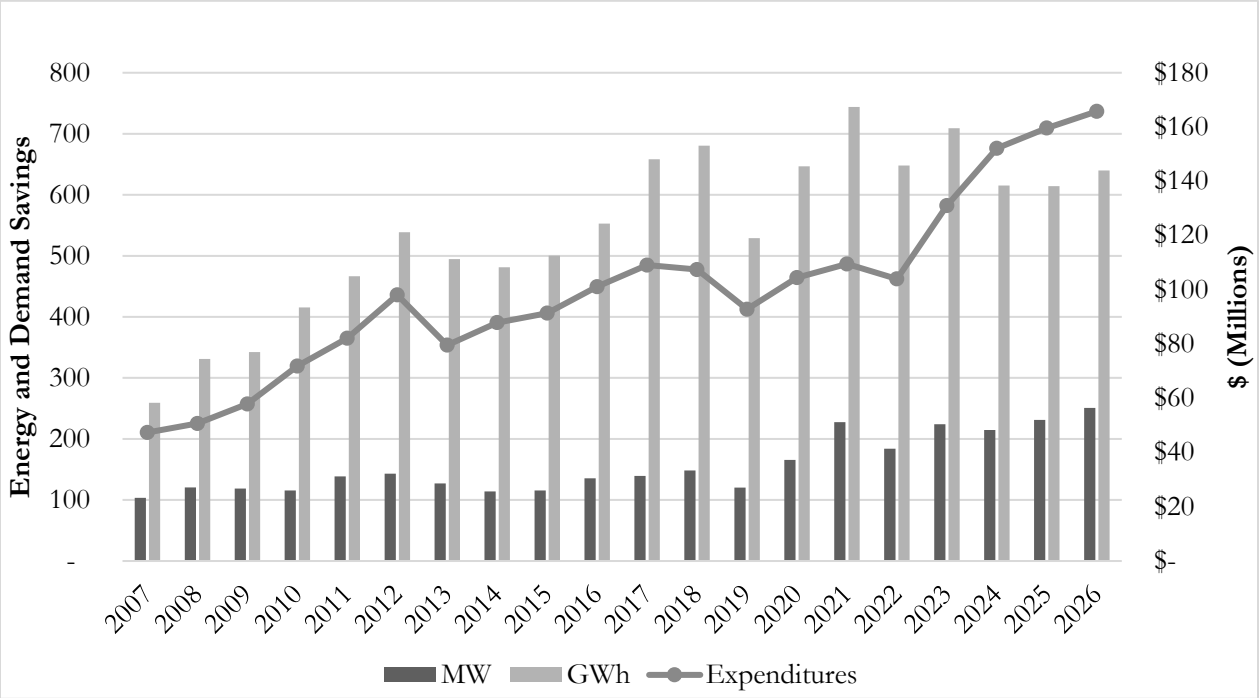
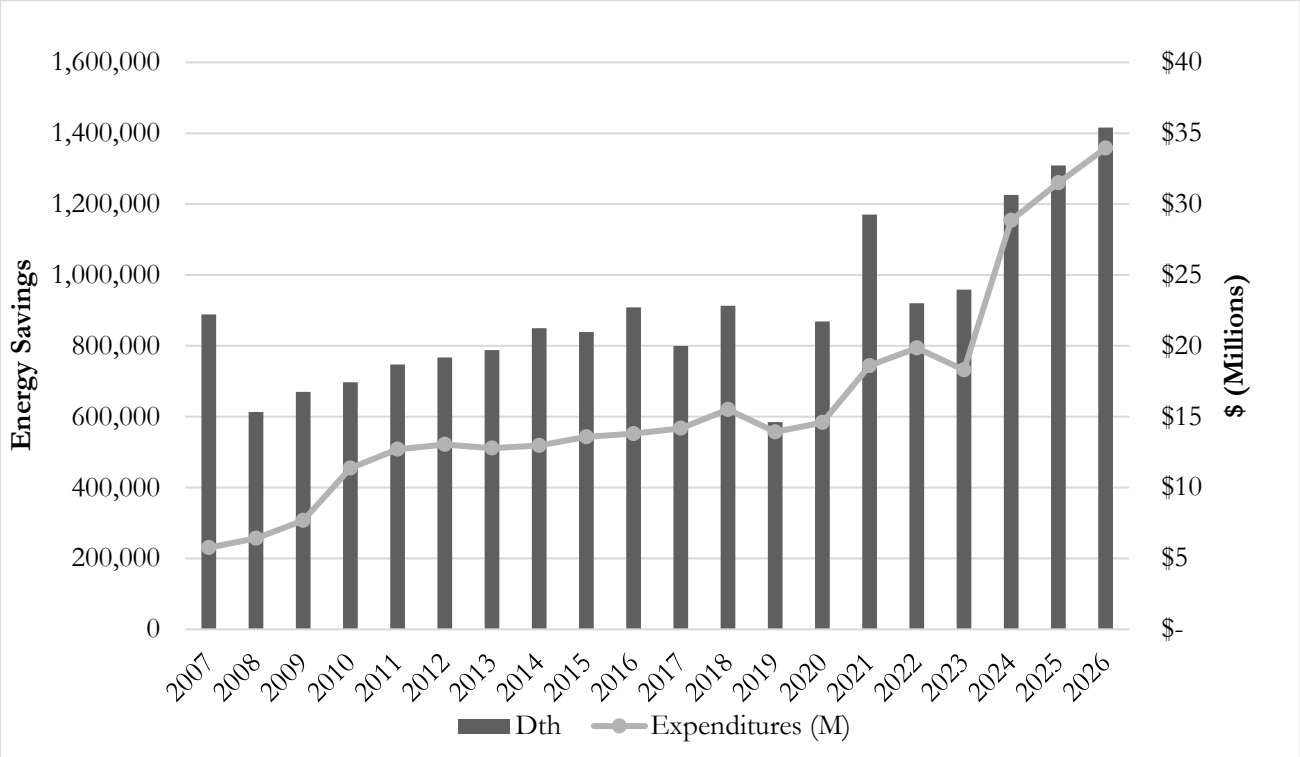


Figure 2: ECO Natural Gas Achievements, 2007-2026



2024-2026: From CIP to ECO

Xcel Energy was pleased to be part of a broad bipartisan coalition supporting passage of the landmark Energy Conservation and Optimization (ECO) Act of 2021. The most important energy-efficiency legislation in Minnesota since 2007's Next Generation Energy Act, ECO modernized the framework for customer-funded utility programs and re-imagined the scope of what such programs can include. In this first Triennial Plan under the new ECO framework, the Company seeks to take advantage of new technologies and new policy frameworks to bring even more ways to help customers save energy and money, reduce emissions and achieve their energy targets.

First and foremost, the programs and targets proposed in this Plan underscore the Company's long-standing and unshakeable commitment to energy efficiency. The Company has long achieved well above the minimum savings targets set in statute, and this Plan continues that tradition even considering the increased minimum electric savings set in ECO. The Plan proposes electric energy savings targets above two percent of sales and natural gas savings targets of approximately 1.5 percent of sales. While lighting – and especially residential lighting – has long been a mainstay of electric efficiency programs, the extensive market penetration of LED technologies has considerably reduced the incremental savings opportunity for utility programs focused on lighting. Nevertheless, the Company believes its proposed electric savings target of approximately 570 GWh is both aggressive and achievable.

This Plan also recognizes that the value of customer programs does not stem solely from the reduction of energy consumption. The ECO Act opened the door for load management (demand response) programs that go beyond traditional peak-hour load shedding and seek to optimize the time at which customers use energy. With this change, the Company can work with customers to help them use electricity at low-cost and low-emission times of day, benefitting the grid, the climate, and the customer simultaneously.

In perhaps the most transformational change enabled by ECO, this Plan also includes proposals to support customers who seek not only to use energy more efficiently, but to change the form of energy they use. The Company has carefully considered the statutory provisions, Department guidance, customer interest, current market realities, and grid impacts of efficient fuel-switching (EFS) in preparing the innovative proposals included in this Plan. EFS as an area of utility programming remains nascent and is limited by spending caps during the course of this Triennial. However, the Company believes that the incentives and support for EFS included here will both support customers interested in fuel-switching and provide avenues to learn and develop enhancements that can help scale EFS activity in future Triennial Plans.

Portfolio Highlights

Important additions and modifications to the Company's portfolio of programs are briefly summarized below. Further information on these changes as well as others can be found in the detailed segment sections of this document.

- **Residential Segment:** With the reduction of residential lighting as a major source of electric energy savings, the residential segment contributes a smaller – though still substantial – portion of the portfolio's total electric energy savings. Important innovations in the residential sector include leveraging educational opportunities to help customers lower their energy bills, reflected in the Home Energy Insights program. Recognizing the importance of building envelope measures to the success of fuel-switching and demand response, the Company has also increased both its electric and natural gas incentives for these measures, as well as bonus opportunities to support customers installing both insulation and fuel-switching measures. The Company will also continue to closely monitor the implementation of federal rebates under the Inflation Reduction Act (IRA) as well as state incentives[7] with the goal of maximizing alignment and making it easy for customers to understand and receive all of the incentives available to them.

- **Business Segment:** Customers continue to look to the utility to provide holistic opportunities for lowering energy use and meeting sustainability needs. As a result, the Company has updated its portfolio to focus on holistic engagement to provide a full view of customer opportunities that impact energy and usage with the addition of efficient fuel-switching and expanded demand response opportunities. Because heat pump technology development has tended to focus primarily on the residential market, activity in the business segment is expected to be concentrated on more traditional energy efficiency measures in the short term. Nevertheless, the Company anticipates a growing role for EFS measures in the future and will work with business customers interested in electrification through the custom rebate process. As technologies reach greater market maturity, the Company expects to submit proposals for the inclusion of additional prescriptive EFS incentives.

- **Income-Qualified Segment**: This Plan significantly increases the emphasis on supporting the Company's customers who are most in need of assistance. The budgets proposed for the Company's dedicated low-income programs are larger than in any previous plan, and at approximately $10 million (electric) and $5 million (gas) per year it doubles the portfolio spend and aims to go above the minimums established by ECO. To achieve these goals, the Company will simplify our participation process and begin to expand our eligibility requirements, following the recent revision to Minnesota Statutes defining income eligibility.[8] Further, we will need to help our partner organizations increase their program delivery capacity; we expect the successful workforce development programming that launched in 2022 to be important in this regard. The Company also plans to pursue opportunities to replace electric resistance heating with heat pumps and use pre-weatherization support to reduce the number of homes that are deferred for weatherization services.

[7] Minnesota Session Law, H.F. No 2310 appropriates funding for heat pump water heaters, electric panel upgrades and e-bikes administered by the Minnesota Department of Commerce.
[8] HF 2310 amended the definition of "low-income household," allowing additional customers to qualify and creating opportunities to streamline the eligibility verification process; the Company's implementation of these changes is discussed in the Income Qualified Segment section of this Plan.

- **Efficient Fuel-Switching:** Collaboration between CenterPoint Energy and the Company was essential in defining our efforts towards fuel-switching in this Plan. However, as the only combination electric and natural gas investor-owned utility in Minnesota, Xcel Energy is uniquely positioned to engage customers interested in fuel-switching. In this Plan we are proposing significant incentives to increase the market adoption of technologies such as air-source heat pumps and heat pump water heaters. Additionally, we propose a policy of "Geographic Consistency," applicable to customers who may have natural gas service with another utility. Described in more detail in the segment overview, this policy is intended to ensure all Xcel Energy electric customers can receive the same overall incentive for EFS measures regardless of their heating fuel provider. Consistent with the framework established by ECO, the incentives available to Xcel Energy natural gas customers interested in fuel-switching are provided through gas EFS funding, with net savings allocated to the gas portfolio. Electric EFS funding is used to support customer and contractor education and awareness, to encourage efficient fuel-switching of end-uses not currently met with natural gas, and to provide additional customer incentives in support of the Geographic Consistency policy.

  The Company also recognizes that adoption of EFS measures at scale will require addressing both up-front cost barriers through rebates and the reduction of operating costs to ensure favorable customer economics. While many residential customers will be able to realize operating cost savings by moving from the standard rate to the electric space heating rate, this is likely to be very dependent on the specifics of the customer's home and usage patterns. To address this, the Company intends to make an electric space heating rate proposal aimed at reflecting cost and providing an appropriate price signal to customers.[9] The Company anticipates filing this proposal with the Minnesota Public Utilities Commission before the end of 2023.

  Finally, the Company is excited to introduce proposals for EFS measures targeting end uses outside the historic scope of its CIP offerings. The Outdoor Equipment program provides incentives for electric lawnmowers to replace gasoline-powered mowers. The Company anticipates adding measures to the program over the course of the triennium, potentially including electric leaf blowers, snowblowers or other options.

- **Demand Response:** For the first time in Minnesota, the Company has created a Demand Response segment to begin to incorporate ECO opportunities. The Company has had demand response programs since the 1970s. Since then, our successful programs have extended to both residential and commercial customers and offer a variety of options for customer participation. However, as these programs move beyond traditional load-shedding and expand to include additional ways to manage consumption (including load management that optimizes the time of use without necessarily changing overall annual consumption), we believe it is useful to organize these programs into a single segment, rather than having them interspersed with more traditional

[9] The Company previously proposed a revision to its electric space heating rate in its most recent electric rate case; that proposal was rejected without prejudice and the Company was directed to re-file in a new docket.

efficiency programs in the residential and business segments. While the programs proposed for inclusion in the Demand Response segment in this Plan are already part of the 2021-2023 Triennial, we continue to explore opportunities to add to the segment. The Company may propose additional programs via the modification process, potentially including the incorporation of pilots approved in its Load Flexibility proposal as the pilots are completed.[10]

As in previous Plans, the Company expects to submit modifications as new technologies and improved program designs create new opportunities to benefit customers. The Company continuously seeks to improve its offerings throughout the portfolio, but one example in particular is worth highlighting. As the Company deploys Advanced Metering Infrastructure (AMI) to its electric customers, Distributed Intelligence (DI) capabilities associated with the new meters will open the door to localized analysis of how a customer uses energy with more accuracy and clarity than the current Home Energy Reports. These capabilities enable the company to provide personalized energy insights and tips to customers using the usage data collected by and analyzed on the meter. Through DI capabilities, the Company anticipates being able to provide customers with insights that could include real-time appliance level energy usage display, tailored recommendations based on individual usage patterns, benchmarking and goal setting. The Company plans to make these insights available to customers both through an application that can be downloaded onto a customer's personal mobile device and via the My Account section of the Company's website. Although no specific programming related to DI is included in this filing, the Company anticipates filing modifications to the Triennial Plan to utilize these capabilities as the installation of AMI metering continues.

Summary and Targets

Taken as a whole, the proposed 2024-2026 ECO Triennial Plan sets a course for the Company to invest approximately $588 million in customer programs over three years, driving cost-effective energy savings and reducing emissions and long-term utility costs in ways that benefit both participating and non-participating customers. Xcel Energy is proud to offer these innovative proposals – many of them enabled by the forward-thinking policy structures created by the ECO Act – to continue the ongoing evolution of its customer programs to support the clean energy transition. Even as the steady shift toward renewable forms of energy continues to reduce some of the traditional benefits of energy efficiency – such as fuel cost and emissions savings – the Company will continue to evolve its program designs to reflect other important and emerging benefits (e.g., using energy storage or dual-fuel heat pumps to reduce the peak capacity impacts of electrified heating loads) that make customer programming essential to the success of the overall energy transition. We believe this ECO Triennial Plan both reflects many of those changes and will serve as a catalyst for further enhancements in future years.

In this Plan, Xcel Energy respectfully requests approval of the portfolio-level budgets and energy savings targets presented in Table 2. The figures in Table 2 represent overall portfolio spending and

[10] Docket No. E002/M-21-101.

savings from both energy efficiency and EFS, including the estimated impacts of Alternative CIPs of which the Company is aware. Tables 3 and 4 summarize the spending and claimable gas savings attributed to energy efficiency and EFS separately.

Table 2: 2024-2026 Proposed ECO Portfolio; Budgets and Savings Targets

	Electric		Natural Gas	
Year	**Budget**	**Energy Savings (GWh)**	**Budget**	**Energy Savings (Dth)**
2024	$155,150,773	615	$29,820,687	1,102,563
2025	$163,096,354	615	$33,278,543	1,180,236
2026	$169,656,630	640	$37,139,290	1,281,853

Table 3: 2024-2026 Proposed Energy Efficiency; Budgets and Savings Targets[11]

	Electric			Natural Gas		
Year	**Budget**	**Proposed Energy Savings (GWh)**	**Savings as a % of Retail Sales**	**Budget**	**Proposed Energy Savings (Dth)**	**Savings as a % of Retail Sales**
2024	$152,464,140	615	2.26%	$28,791,282	1,090,881	1.41%
2025	$159,988,308	615	2.26%	$31,465,223	1,155,707	1.49%
2026	$165,921,964	641	2.35%	$33,750,180	1,235,604	1.59%

Table 4: 2024-2026 Proposed Efficient Fuel-Switching; Budgets and Savings Targets

	Electric		Natural Gas		Carbon Emission Reductions (Tons CO2e)	
Year	**Budget**	**Proposed Energy Savings (GWh)**	**Budget**	**Claimable Energy Savings (Dth)[12]**	**First Year**	**Lifetime**
2024	$2,686,633	NA	$1,029,405	11,682	909	20,181
2025	$3,108,046	NA	$1,813,320	24,529	2,273	41,918
2026	$3,734,666	NA	$3,389,110	46,249	4,206	77,451

[11] Proposed Energy Savings includes One Stop Shop which is administered by the Center for Energy and Environment. The Company elects to include this alternative filing as part of our portfolio and has included it as part of our incentive calculations since January 30, 2013. Budget and savings targets associated with Alternative CIPs, including One Stop Shop, will be updated to reflect final figures following the Deputy Commissioner's Decisions on each Alternative CIP.
[12] Claimable energy savings for EFS measures implemented by gas utilities represent the net impact of reduced gas usage and increased electricity usage. The full impacts of these measures on both electric and gas consumption, along with the claimable net savings in Dth, are provided in the program-level summaries below.

We provide segment-level targets for energy efficiency for each program in Tables 5-7, and program-level details in the subsequent Executive Summary tables.[13] Segment-level details for Efficient Fuel Switching are provided in Tables 8-10.

[13] Because the Company does not have adequate detail to analyze Alternative CIPs for cost-effectiveness, these programs are omitted from Tables 4-6. Alternative CIP filers will provide cost-effectiveness analyses with their program filings as necessary.

Table 5: 2024 Segment-Level Details – Energy Efficiency

	Electric				Natural Gas		
Segment	Budget	Demand (kW)	Savings (kWh)	MN Test Ratio	Budget	Savings (Dth)	MN Test Ratio
Residential	$ 30,306,472	35,083	135,748,086	3.59	$ 13,235,945	443,477	3.69
Business	$ 54,590,390	69,551	428,456,974	5.68	$ 6,398,014	606,408	8.68
Income-Qualified	$ 9,189,401	1,363	5,542,337	0.48	$ 4,069,972	29,681	1.02
Demand Response	$ 18,145,637	100,963	627,721	2.46	$ 32,765	639	1.71
Efficient Fuel Switching	$ -	-	-	0	$ -	-	-
Indirect Products and Services	$ 13,342,290	-	-	0	$ 3,205,173	-	0
Research, Eval & Pilots	$ 7,379,204	-	-	0	$ 723,630	-	0
Assessments	$ 4,973,841	-	-	-	$ 896,826	-	-
Total	$ 137,927,235	206,960	570,375,117	3.79	$ 28,562,325	1,080,205	4.25

Table 6: 2025 Segment-Level Details – Energy Efficiency

	Electric				Natural Gas		
Segment	Budget	Demand (kW)	Savings (kWh)	MN Test Ratio	Budget	Savings (Dth)	MN Test Ratio
Residential	$ 31,396,357	35,935	135,820,489	3.56	$ 13,862,071	456,271	3.72
Business	$ 53,595,201	68,214	425,867,852	5.71	$ 6,698,125	653,773	9.21
Income-Qualified	$ 10,996,722	1,637	6,799,722	0.51	$ 4,920,293	33,832	0.98
Demand Response	$ 19,271,908	117,664	870,164	2.43	$ 38,140	1,155	2.66
Efficient Fuel Switching	$ -	-	-	0	$ -	-	-
Indirect Products and Services	$ 15,025,429	-	-	0	$ 3,547,562	-	0
Research, Eval & Pilots	$ 7,654,239	-	-	0	$ 750,605	-	0
Assessments	$ 7,425,406	-	-	-	$ 1,414,206	-	-
Total	$ 145,365,262	223,451	569,358,227	3.68	$ 31,231,002	1,145,031	4.34

Table 7: 2026 Segment-Level Details – Energy Efficiency

	Electric				Natural Gas		
Segment	Budget	Demand (kW)	Savings (kWh)	MN Test Ratio	Budget	Savings (Dth)	MN Test Ratio
Residential	$ 33,295,807	37,360	147,770,554	3.63	$ 14,548,423	474,266	3.77
Business	$ 54,118,999	70,086	438,091,129	5.80	$ 6,796,124	710,059	9.72
Income-Qualified	$ 12,349,670	1,957	8,346,718	0.56	$ 6,125,554	39,448	0.93
Demand Response	$ 20,000,031	133,746	1,135,859	2.44	$ 41,307	1,155	2.52
Efficient Fuel Switching	$ -	-	-	0	$ -	-	-
Indirect Products and Services	$ 15,915,893	-	-	0	$ 3,738,343	-	0
Research, Eval & Pilots	$ 7,879,512	-	-	0	$ 776,093	-	0
Assessments	$ 7,622,477	-	-	-	$ 1,485,845	-	-
Total	$ 151,182,390	243,149	595,344,260	3.70	$ 33,511,689	1,224,928	4.41

Table 8: 2024 Segment-Level Details – Efficient Fuel Switching

	Efficient Fuel Switching						
Segment	Electric Budget	Demand (kW)	Savings (kWh)	Gas Budget	Savings (Dth)	Claimable Savings (Dth)	MN Test Ratio
Residential	$ 186,469	(6)	(1,789,245)	$ 672,657	15,859	9,754	1.11
Business	$ 90,622	(6)	(373,187)	$ 78,634	3,035	1,912	1.35
Income-Qualified	$ -	-	(31,505)	$ 148,064	124	16	0.10
Demand Response	$ -	-	-	$ -	-	-	-
Efficient Fuel Switching	$ 1,886,250	(4)	(54,251)	$ -	-	-	0.23
Indirect Products and Services	$ -	-	-	$ -	-	-	0
Research, Eval & Pilots	$ 523,291	-	-	$ 130,051	-	-	0
Assessments	$ -	-	-	$ -	-	-	-
Total	$ 2,686,633	(16)	(2,248,188)	$ 1,029,405	19,018	11,682	0.65

Table 9: 2025 Segment-Level Details – Efficient Fuel Switching

	Efficient Fuel Switching						
Segment	Electric Budget	Demand (kW)	Savings (kWh)	Gas Budget	Savings (Dth)	Claimable Savings (Dth)	MN Test Ratio
Residential	$ 376,695	(13)	(3,582,066)	$ 1,357,930	31,780	19,557	1.13
Business	$ 108,033	(40)	(776,528)	$ 182,197	7,284	4,980	1.60
Income-Qualified	$ -	-	(50,302)	$ 141,425	163	(8)	0.13
Demand Response	$ -	-	-	$ -	-	-	-
Efficient Fuel Switching	$ 2,091,250	(4)	(54,251)	$ -	-	-	0.21
Indirect Products and Services	$ -	-	-	$ -	-	-	0
Research, Eval & Pilots	$ 532,069	-	-	$ 131,768	-	-	0
Assessments	$ -	-	-	$ -	-	-	-
Total	$ 3,108,046	(56)	(4,463,147)	$ 1,813,320	39,226	24,529	0.84

Table 10: 2026 Segment-Level Details – Efficient Fuel Switching

	Efficient Fuel Switching						
Segment	Electric Budget	Demand (kW)	Savings (kWh)	Gas Budget	Savings (Dth)	Claimable Savings (Dth)	MN Test Ratio
Residential	$ 754,043	(24)	(7,077,599)	$ 2,709,947	63,118	38,969	1.16
Business	$ 128,341	(88)	(1,114,995)	$ 288,460	10,667	7,254	1.56
Income-Qualified	$ -	-	(64,808)	$ 257,158	247	26	0.12
Demand Response	$ -	-	-	$ -	-	-	-
Efficient Fuel Switching	$ 2,311,250	(4)	(54,251)	$ -	-	-	0.19
Indirect Products and Services	$ -	-	-	$ -	-	-	0
Research, Eval & Pilots	$ 541,032	-	-	$ 133,545	-	-	0
Assessments	$ -	-	-	$ -	-	-	-
Total	$ 3,734,666	(116)	(8,311,654)	$ 3,389,110	74,032	46,249	0.96

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Program Name	**Electric Participants**	**Electric Budget**	**Gen kW Savings**	**Gen kWh Savings**	**Gas Participants**	**Gas Budget**	**Dth Savings**
Consumer Education	481,500	$ 963,000	-	-	321,000	$ 642,000	-
Efficient New Home Construction	2,925	$ 1,674,205	1,208	4,317,702	1,630	$ 2,299,104	39,905
Energy Efficient Showerheads	4,860	$ 146,428	118	1,440,811	6,840	$ 244,642	13,004
Home Energy Audit	13,843	$ 2,294,658	-	-	5,105	$ 1,518,714	-
Home Energy Insights	1,119,270	$ 1,312,724	5,604	28,289,302	277,060	$ 328,553	63,598
Home Energy Squad	11,322	$ 3,314,688	1,417	8,289,858	4,160	$ 1,020,713	33,827
Home Lighting	337,450	$ 6,512,219	7,733	68,000,679	-	$ -	-
Insulation Rebates	2,355	$ 307,036	292	221,656	2,313	$ 1,219,022	32,321
Lamp Recycling	471,787	$ 326,986	-	-	-	$ -	-
Refrigerator & Freezer Recycling	7,000	$ 1,535,915	866	7,414,303	-	$ -	-
Residential Heating & Cooling	41,862	$ 10,131,631	15,605	9,586,628	25,968	$ 5,393,065	205,540
School Education Kits	42,000	$ 1,704,759	2,189	7,885,093	21,500	$ 398,520	51,598
Whole Home Efficiency	215	$ 82,224	52	302,054	202	$ 171,612	3,685
Residential Segment Total	**2,536,389**	**$ 30,306,472**	**35,083**	**135,748,086**	**665,778**	**$ 13,235,945**	**443,477**
Business Education	20,191	$ 242,300	-	-	2,562	$ 30,750	-
Business Energy Assessments	453	$ 4,372,896	4,601	28,011,279	95	$ 418,929	27,552
Business New Construction	320	$ 11,757,153	13,859	65,579,288	32	$ 557,897	50,009
Compressed Air Efficiency	172	$ 979,183	1,291	9,016,793	-	$ -	-
Custom Efficiency	37	$ 1,162,191	859	6,115,321	9	$ 202,236	20,518
Data Center Efficiency	91	$ 1,236,777	922	15,070,217	-	$ -	-
Efficiency Controls	85	$ 629,119	320	8,206,755	24	$ 64,744	7,945
Empower Facilities	24	$ 964,662	-	-	6	$ 107,185	-
Empower Intelligence	386	$ 539,517	-	2,697,511	2	$ 53,947	61
Foodservice Equipment	54	$ 61,857	45	319,386	66	$ 94,749	5,536
HVAC+R	2,799	$ 4,121,836	6,069	34,073,550	692	$ 1,638,749	133,232
Lighting Efficiency	7,414	$ 11,951,825	18,975	115,021,767	-	$ -	-
Load Strategy Analysis	46	$ 745,263	622	6,455,982	6	$ 30,917	5,341
Multi-Family Building Efficiency	7,920	$ 2,279,319	477	3,314,283	1,293	$ 859,841	32,216
Non-Profit Energy Savings Program	210,924	$ 1,711,680	992	9,096,643	110,143	$ 922,649	158,528
Process & Commercial Efficiency	969	$ 11,655,440	20,298	124,477,870	54	$ 1,415,421	165,470
Self-Direct	1	$ 179,372	221	1,000,327	-	$ -	-
Business Segment Total	**251,886**	**$ 54,590,390**	**69,551**	**428,456,974**	**114,984**	**$ 6,398,014**	**606,408**
Affordable Efficient New Home Construction	25	$ 414,778	10	110,585	11	$ 198,213	460
Home Energy Savings Program	4,864	$ 2,900,491	395	1,659,600	754	$ 2,909,990	8,963
Low Income Home Energy Squad	2,521	$ 1,137,714	283	1,655,817	945	$ 363,983	6,702
Low Income Multi-Family Building Efficiency	3,691	$ 2,298,051	676	2,116,334	1,126	$ 162,778	13,556
Workforce Development & Education	87	$ 2,438,368	-	-	13	$ 435,008	-
Income Qualified Segment Total	**11,188**	**$ 9,189,401**	**1,363**	**5,542,337**	**2,849**	**$ 4,069,972**	**29,681**
Commercial AC Control	4,017	$ 3,287,549	5,883	359,116	83	$ 32,765	639
Critical Peak Pricing	30	$ 216,200	22,910	90,259	-	$ -	-
Electric Rate Savings	60	$ 764,536	9,467	18,661	-	$ -	-
Peak Partner Rewards	65	$ 1,355,116	19,843	117,235	-	$ -	-
Residential Demand Response	824,430	$ 12,522,236	42,860	42,450	-	$ -	-
Demand Response Segment Total	**828,602**	**$ 18,145,637**	**100,963**	**627,721**	**83**	**$ 32,765**	**639**
Efficient Fuel Switching Training & Support	-	$ -	-	-	-	$ -	-
Outdoor Equipment	-	$ -	-	-	-	$ -	-
Efficient Fuel Switching Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**
Advertising & Promotion	-	$ 7,097,042	-	-	-	$ 1,610,483	-
Application Development & Maintenance	-	$ 3,485,264	-	-	-	$ 712,737	-
CIP Training	-	$ 359,484	-	-	-	$ 146,397	-
Community Energy Reporting	229	$ 40,858	-	-	149	$ 13,625	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-
Energy Benchmarking	7,265	$ 126,771	-	-	2,325	$ 31,427	-
Partners in Energy	690,000	$ 1,332,871	-	-	345,000	$ 340,504	-
Planning & Regulatory Affairs	-	$ 900,000	-	-	-	$ 350,000	-
Indirect Products & Services Total	**697,494**	**$ 13,342,290**	**-**	**-**	**347,474**	**$ 3,205,173**	**-**
Market Research	-	$ 2,146,287	-	-	-	$ 525,579	-
Product Development	-	$ 5,232,917	-	-	-	$ 198,051	-
Research, Evaluations & Pilots Total	**-**	**$ 7,379,204**	**-**	**-**	**-**	**$ 723,630**	**-**
Portfolio Total	**4,325,559**	**$ 132,953,394**	**206,960**	**570,375,117**	**1,131,167**	**$ 27,665,499**	**1,080,205**
Minnesota Assessments	-	$ 1,932,291	-	-	-	$ 294,738	-
Minnesota Efficient Technology Accelerator	-	$ 3,041,550	-	-	-	$ 602,088	-
Assessments Segment Total	**-**	**$ 4,973,841**	**-**	**-**	**-**	**$ 896,826**	**-**
EnerChange	-	$ 551,304	-	-	-	$ 61,256	-
EnergySmart	-	$ 635,250	-	-	-	$ 46,725	-
One Stop Shop	1,918	$ 13,178,624	7,733	45,056,601	219	$ 99,099	10,676
Trillion BTU	-	$ 171,727	-	-	-	$ 21,877	-
Alternative Filings Total	**1,918**	**$ 14,536,905**	**7,733**	**45,056,601**	**219**	**$ 228,957**	**10,676**
Portfolio Total w Alternative Filings	**4,327,477**	**$ 152,464,140**	**214,693**	**615,431,718**	**1,131,386**	**$ 28,791,282**	**1,090,881**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

2024 Efficient Fuel Switching Executive Summary

Program Name	Electric Participants	Electric Budget	Gen kW Savings	Gen kWh Savings	Gas Participants	Gas Budget	Dth Savings	Claimable Dth Savings
Consumer Education	-	$ -	-	-	-	$ -	-	-
Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Energy Efficient Showerheads	-	$ -	-	-	-	$ -	-	-
Home Energy Audit	-	$ -	-	-	-	$ -	-	-
Home Energy Insights	-	$ -	-	-	-	$ -	-	-
Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Home Lighting	-	$ -	-	-	-	$ -	-	-
Insulation Rebates	-	$ -	-	-	-	$ -	-	-
Lamp Recycling	-	$ -	-	-	-	$ -	-	-
Refrigerator & Freezer Recycling	-	$ -	-	-	-	$ -	-	-
Residential Heating & Cooling	707	$ 186,469	(6)	(1,702,732)	707	$ 658,489	15,417	9,608
School Education Kits	-	$ -	-	-	-	$ -	-	-
Whole Home Efficiency	19	$ -	(1)	(86,513)	12	$ 14,167	441	146
Residential Segment Total	**726**	**$ 186,469**	**(6)**	**(1,789,245)**	**719**	**$ 672,657**	**15,859**	**9,754**
Business Education	-	$ -	-	-	-	$ -	-	-
Business Energy Assessments	22	$ 24,692	-	(126,496)	22	$ 66,355	1,873	1,442
Business New Construction	-	$ -	-	-	-	$ -	-	-
Compressed Air Efficiency	1	$ 5,315	(4)	(37,387)	-	$ -	-	-
Custom Efficiency	3	$ 23,734	-	(13,315)	2	$ 863	99	76
Data Center Efficiency	-	$ -	-	-	-	$ -	-	-
Efficiency Controls	-	$ -	-	-	-	$ -	-	-
Empower Facilities	-	$ -	-	-	-	$ -	-	-
Empower Intelligence	-	$ -	-	-	-	$ -	-	-
Foodservice Equipment	-	$ -	-	-	-	$ -	-	-
HVAC+R	35	$ -	(2)	(182,674)	34	$ 8,275	866	243
Lighting Efficiency	-	$ -	-	-	-	$ -	-	-
Load Strategy Analysis	-	$ -	-	-	-	$ -	-	-
Multi-Family Building Efficiency	-	$ -	-	-	-	$ -	-	-
Non-Profit Energy Savings Program	-	$ -	-	-	-	$ -	-	-
Process & Commercial Efficiency	5	$ 36,881	-	(13,315)	5	$ 3,142	197	152
Self-Direct	-	$ -	-	-	-	$ -	-	-
Business Segment Total	**66**	**$ 90,622**	**(6)**	**(373,187)**	**63**	**$ 78,634**	**3,035**	**1,912**
Affordable Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Home Energy Savings Program	4	$ -	-	(25,416)	2	$ 13,475	79	(7)
Low Income Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Low Income Multi-Family Building Efficiency	1	$ -	-	(6,089)	1	$ 134,589	44	24
Workforce Development & Education	-	$ -	-	-	-	$ -	-	-
Income Qualified Segment Total	**5**	**$ -**	**-**	**(31,505)**	**3**	**$ 148,064**	**124**	**16**
Commercial AC Control	-	$ -	-	-	-	$ -	-	-
Critical Peak Pricing	-	$ -	-	-	-	$ -	-	-
Electric Rate Savings	-	$ -	-	-	-	$ -	-	-
Peak Partner Rewards	-	$ -	-	-	-	$ -	-	-
Residential Demand Response	-	$ -	-	-	-	$ -	-	-
Demand Response Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Efficient Fuel Switching Training & Support	550	$ 1,700,000	-	-	-	$ -	-	-
Outdoor Equipment	550	$ 186,250	(4)	(54,251)	-	$ -	-	-
Efficient Fuel Switching Total	**1,100**	**$ 1,886,250**	**(4)**	**(54,251)**	**-**	**$ -**	**-**	**-**
Advertising & Promotion	-	$ -	-	-	-	$ -	-	-
Application Development & Maintenance	-	$ -	-	-	-	$ -	-	-
CIP Training	-	$ -	-	-	-	$ -	-	-
Community Energy Reporting	-	$ -	-	-	-	$ -	-	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-	-
Energy Benchmarking	-	$ -	-	-	-	$ -	-	-
Partners in Energy	-	$ -	-	-	-	$ -	-	-
Planning & Regulatory Affairs	-	$ -	-	-	-	$ -	-	-
Indirect Products & Services Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Market Research	-	$ -	-	-	-	$ -	-	-
Product Development	-	$ 523,291	-	-	-	$ 130,051	-	-
Research, Evaluations & Pilots Total	**-**	**$ 523,291**	**-**	**-**	**-**	**$ 130,051**	**-**	**-**
Portfolio Total	**1,897**	**$ 2,686,633**	**(16)**	**(2,248,188)**	**785**	**$ 1,029,405**	**19,018**	**11,682**
Minnesota Assessments	-	$ -	-	-	-	$ -	-	-
Minnesota Efficient Technology Accelerator	-	$ -	-	-	-	$ -	-	-
Assessments Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
EnerChange	-	$ -	-	-	-	$ -	-	-
EnergySmart	-	$ -	-	-	-	$ -	-	-
One Stop Shop	-	$ -	-	-	-	$ -	-	-
Trillion BTU	-	$ -	-	-	-	$ -	-	-
Alternative Filings Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Portfolio Total w Alternative Filings	**1,897**	**$ 2,686,633**	**(16)**	**(2,248,188)**	**785**	**$ 1,029,405**	**19,018**	**11,682**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

2025 Energy Efficiency Executive Summary

Program Name	Electric Participants	Electric Budget	Gen kW Savings	Gen kWh Savings	Gas Participants	Gas Budget	Dth Savings
Consumer Education	481,500	$ 1,011,150	-	-	321,000	$ 674,100	-
Efficient New Home Construction	3,211	$ 1,773,156	1,331	4,749,959	1,784	$ 2,443,495	43,764
Energy Efficient Showerheads	4,950	$ 152,129	128	1,568,872	7,250	$ 254,232	14,285
Home Energy Audit	15,607	$ 2,580,435	-	-	5,757	$ 1,707,142	-
Home Energy Insights	1,073,690	$ 1,341,583	6,027	29,698,787	243,620	$ 315,309	64,366
Home Energy Squad	12,455	$ 3,695,893	1,345	7,604,384	4,576	$ 1,131,141	35,882
Home Lighting	281,406	$ 6,188,693	7,949	66,138,029	-	$ -	-
Insulation Rebates	2,588	$ 329,829	321	236,271	2,541	$ 1,337,055	35,470
Lamp Recycling	452,816	$ 314,829	-	-	-	$ -	-
Refrigerator & Freezer Recycling	7,100	$ 1,571,689	879	7,520,222	-	$ -	-
Residential Heating & Cooling	42,552	$ 10,548,756	15,660	9,842,805	26,238	$ 5,398,370	205,540
School Education Kits	42,920	$ 1,772,397	2,223	7,988,977	21,970	$ 414,624	52,930
Whole Home Efficiency	282	$ 115,819	71	472,182	242	$ 186,602	4,035
Residential Segment Total	**2,421,077**	**$ 31,396,357**	**35,935**	**135,820,489**	**634,978**	**$ 13,862,071**	**456,271**
Business Education	20,191	$ 254,415	-	-	2,562	$ 33,000	-
Business Energy Assessments	538	$ 5,251,876	6,396	38,817,419	94	$ 435,924	29,859
Business New Construction	258	$ 9,777,425	12,135	60,945,779	37	$ 702,499	70,664
Compressed Air Efficiency	193	$ 1,094,767	1,625	10,536,355	-	$ -	-
Custom Efficiency	38	$ 1,209,943	938	6,290,044	9	$ 204,178	20,518
Data Center Efficiency	84	$ 1,191,899	890	14,120,715	-	$ -	-
Efficiency Controls	104	$ 728,907	461	9,891,105	29	$ 70,300	8,918
Empower Facilities	34	$ 880,689	-	-	6	$ 97,854	-
Empower Intelligence	414	$ 601,774	-	2,851,654	2	$ 65,672	61
Foodservice Equipment	49	$ 62,378	41	292,923	56	$ 95,657	4,806
HVAC+R	2,802	$ 4,237,488	6,071	34,119,425	691	$ 1,513,609	126,624
Lighting Efficiency	7,414	$ 12,065,388	18,975	115,021,767	-	$ -	-
Load Strategy Analysis	46	$ 773,752	622	6,455,982	6	$ 31,169	5,341
Multi-Family Building Efficiency	8,986	$ 2,541,301	658	4,000,742	1,428	$ 975,874	43,965
Non-Profit Energy Savings Program	221,642	$ 1,914,729	1,071	9,697,637	116,233	$ 1,073,364	183,991
Process & Commercial Efficiency	852	$ 10,826,644	18,111	111,825,977	55	$ 1,399,023	159,026
Self-Direct	1	$ 181,826	221	1,000,327	-	$ -	-
Business Segment Total	**263,646**	**$ 53,595,201**	**68,214**	**425,867,852**	**121,208**	**$ 6,698,125**	**653,773**
Affordable Efficient New Home Construction	25	$ 414,690	10	110,585	11	$ 198,540	460
Home Energy Savings Program	5,497	$ 3,293,220	450	1,971,529	874	$ 3,539,922	10,378
Low Income Home Energy Squad	3,152	$ 1,196,872	354	2,069,771	1,181	$ 378,635	8,378
Low Income Multi-Family Building Efficiency	4,290	$ 2,819,758	824	2,647,837	1,255	$ 220,880	14,616
Workforce Development & Education	104	$ 3,272,181	-	-	16	$ 582,316	-
Income Qualified Segment Total	**13,067**	**$ 10,996,722**	**1,637**	**6,799,722**	**3,337**	**$ 4,920,293**	**33,832**
Commercial AC Control	4,950	$ 3,750,507	7,024	522,387	150	$ 38,140	1,155
Critical Peak Pricing	50	$ 306,500	38,184	150,432	-	$ -	-
Electric Rate Savings	50	$ 735,687	7,889	15,551	-	$ -	-
Peak Partner Rewards	80	$ 1,465,934	22,324	131,890	-	$ -	-
Residential Demand Response	831,045	$ 13,013,280	42,244	49,905	-	$ -	-
Demand Response Segment Total	**836,175**	**$ 19,271,908**	**117,664**	**870,164**	**150**	**$ 38,140**	**1,155**
Efficient Fuel Switching Training & Support	-	$ -	-	-	-	$ -	-
Outdoor Equipment	-	$ -	-	-	-	$ -	-
Efficient Fuel Switching Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**
Advertising & Promotion	-	$ 7,817,396	-	-	-	$ 1,715,332	-
Application Development & Maintenance	-	$ 4,295,501	-	-	-	$ 774,219	-
CIP Training	-	$ 413,666	-	-	-	$ 167,856	-
Community Energy Reporting	239	$ 42,262	-	-	159	$ 14,093	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-
Energy Benchmarking	8,515	$ 148,025	-	-	2,785	$ 40,832	-
Partners in Energy	690,000	$ 1,377,080	-	-	345,000	$ 352,979	-
Planning & Regulatory Affairs	-	$ 931,500	-	-	-	$ 482,250	-
Indirect Products & Services Total	**698,754**	**$ 15,025,429**	**-**	**-**	**347,944**	**$ 3,547,562**	**-**
Market Research	-	$ 2,333,545	-	-	-	$ 550,837	-
Product Development	-	$ 5,320,694	-	-	-	$ 199,768	-
Research, Evaluations & Pilots Total	**-**	**$ 7,654,239**	**-**	**-**	**-**	**$ 750,605**	**-**
Portfolio Total	**4,232,719**	**$ 137,939,856**	**223,451**	**569,358,227**	**1,107,617**	**$ 29,816,796**	**1,145,031**
Minnesota Assessments	-	$ 1,932,291	-	-	-	$ 294,738	-
Minnesota Efficient Technology Accelerator	-	$ 5,493,115	-	-	-	$ 1,119,468	-
Assessments Segment Total	**-**	**$ 7,425,406**	**-**	**-**	**-**	**$ 1,414,206**	**-**
EnerChange	-	$ 567,843	-	-	-	$ 63,094	-
EnergySmart	-	$ 672,735	-	-	-	$ 50,085	-
One Stop Shop	1,972	$ 13,210,681	7,750	45,149,032	219	$ 99,099	10,676
Trillion BTU	-	$ 171,787	-	-	-	$ 21,943	-
Alternative Filings Total	**1,972**	**$ 14,623,046**	**7,750**	**45,149,032**	**219**	**$ 234,221**	**10,676**
Portfolio Total w Alternative Filings	**4,234,691**	**$ 159,988,308**	**231,201**	**614,507,259**	**1,107,836**	**$ 31,465,223**	**1,155,707**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

2025 Efficient Fuel Switching Executive Summary

Program Name	Electric Participants	Electric Budget	Gen kW Savings	Gen kWh Savings	Gas Participants	Gas Budget	Dth Savings	Claimable Dth Savings
Consumer Education	-	$ -	-	-	-	$ -	-	-
Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Energy Efficient Showerheads	-	$ -	-	-	-	$ -	-	-
Home Energy Audit	-	$ -	-	-	-	$ -	-	-
Home Energy Insights	-	$ -	-	-	-	$ -	-	-
Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Home Lighting	-	$ -	-	-	-	$ -	-	-
Insulation Rebates	-	$ -	-	-	-	$ -	-	-
Lamp Recycling	-	$ -	-	-	-	$ -	-	-
Refrigerator & Freezer Recycling	-	$ -	-	-	-	$ -	-	-
Residential Heating & Cooling	1,422	$ 376,695	(11)	(3,418,595)	1,422	$ 1,331,370	30,948	19,284
School Education Kits	-	$ -	-	-	-	$ -	-	-
Whole Home Efficiency	36	$ -	(1)	(163,471)	23	$ 26,560	831	273
Residential Segment Total	**1,458**	**$ 376,695**	**(13)**	**(3,582,066)**	**1,445**	**$ 1,357,930**	**31,780**	**19,557**
Business Education	-	$ -	-	-	-	$ -	-	-
Business Energy Assessments	52	$ 29,986	-	(319,568)	52	$ 121,727	4,733	3,642
Business New Construction	3	$ -	(28)	(132,978)	3	$ 44,584	1,130	676
Compressed Air Efficiency	2	$ 10,364	(9)	(74,773)	-	$ -	-	-
Custom Efficiency	8	$ 29,308	-	(46,604)	6	$ 2,588	296	228
Data Center Efficiency	-	$ -	-	-	-	$ -	-	-
Efficiency Controls	-	$ -	-	-	-	$ -	-	-
Empower Facilities	-	$ -	-	-	-	$ -	-	-
Empower Intelligence	-	$ -	-	-	-	$ -	-	-
Foodservice Equipment	-	$ -	-	-	-	$ -	-	-
HVAC+R	37	$ -	(2)	(189,290)	36	$ 10,068	928	282
Lighting Efficiency	-	$ -	-	-	-	$ -	-	-
Load Strategy Analysis	-	$ -	-	-	-	$ -	-	-
Multi-Family Building Efficiency	-	$ -	-	-	-	$ -	-	-
Non-Profit Energy Savings Program	-	$ -	-	-	-	$ -	-	-
Process & Commercial Efficiency	5	$ 38,374	-	(13,315)	5	$ 3,229	197	152
Self-Direct	-	$ -	-	-	-	$ -	-	-
Business Segment Total	**107**	**$ 108,033**	**(40)**	**(776,528)**	**102**	**$ 182,197**	**7,284**	**4,980**
Affordable Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Home Energy Savings Program	6	$ -	-	(38,124)	3	$ 20,100	119	(11)
Low Income Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Low Income Multi-Family Building Efficiency	2	$ -	-	(12,178)	1	$ 121,324	44	3
Workforce Development & Education	-	$ -	-	-	-	$ -	-	-
Income Qualified Segment Total	**8**	**$ -**	**-**	**(50,302)**	**4**	**$ 141,425**	**163**	**(8)**
Commercial AC Control	-	$ -	-	-	-	$ -	-	-
Critical Peak Pricing	-	$ -	-	-	-	$ -	-	-
Electric Rate Savings	-	$ -	-	-	-	$ -	-	-
Peak Partner Rewards	-	$ -	-	-	-	$ -	-	-
Residential Demand Response	-	$ -	-	-	-	$ -	-	-
Demand Response Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Efficient Fuel Switching Training & Support	650	$ 1,930,000	-	-	-	$ -	-	-
Outdoor Equipment	550	$ 161,250	(4)	(54,251)	-	$ -	-	-
Efficient Fuel Switching Total	**1,200**	**$ 2,091,250**	**(4)**	**(54,251)**	**-**	**$ -**	**-**	**-**
Advertising & Promotion	-	$ -	-	-	-	$ -	-	-
Application Development & Maintenance	-	$ -	-	-	-	$ -	-	-
CIP Training	-	$ -	-	-	-	$ -	-	-
Community Energy Reporting	-	$ -	-	-	-	$ -	-	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-	-
Energy Benchmarking	-	$ -	-	-	-	$ -	-	-
Partners in Energy	-	$ -	-	-	-	$ -	-	-
Planning & Regulatory Affairs	-	$ -	-	-	-	$ -	-	-
Indirect Products & Services Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Market Research	-	$ -	-	-	-	$ -	-	-
Product Development	-	$ 532,069	-	-	-	$ 131,768	-	-
Research, Evaluations & Pilots Total	**-**	**$ 532,069**	**-**	**-**	**-**	**$ 131,768**	**-**	**-**
Portfolio Total	**2,773**	**$ 3,108,046**	**(56)**	**(4,463,147)**	**1,551**	**$ 1,813,320**	**39,226**	**24,529**
Minnesota Assessments	-	$ -	-	-	-	$ -	-	-
Minnesota Efficient Technology Accelerator	-	$ -	-	-	-	$ -	-	-
Assessments Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
EnerChange	-	$ -	-	-	-	$ -	-	-
EnergySmart	-	$ -	-	-	-	$ -	-	-
One Stop Shop	-	$ -	-	-	-	$ -	-	-
Trillion BTU	-	$ -	-	-	-	$ -	-	-
Alternative Filings Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Portfolio Total w Alternative Filings	**2,773**	**$ 3,108,046**	**(56)**	**(4,463,147)**	**1,551**	**$ 1,813,320**	**39,226**	**24,529**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

2026 Energy Efficiency Executive Summary

Program Name	Electric Participants	Electric Budget	Gen kW Savings	Gen kWh Savings	Gas Participants	Gas Budget	Dth Savings
Consumer Education	481,500	$ 1,061,708	-	-	321,000	$ 707,804	-
Efficient New Home Construction	3,542	$ 1,939,974	2,289	12,427,389	1,962	$ 2,632,130	53,554
Energy Efficient Showerheads	5,150	$ 160,292	139	1,709,662	7,425	$ 264,686	15,695
Home Energy Audit	17,639	$ 2,909,095	-	-	6,511	$ 1,924,822	-
Home Energy Insights	1,031,550	$ 1,362,227	6,101	29,893,776	212,540	$ 302,989	63,285
Home Energy Squad	13,700	$ 4,053,136	1,297	7,005,339	5,034	$ 1,236,574	38,808
Home Lighting	309,362	$ 6,201,004	8,166	69,741,372	-	$ -	-
Insulation Rebates	2,846	$ 353,737	353	252,647	2,796	$ 1,470,935	39,026
Lamp Recycling	433,845	$ 302,681	-	-	-	$ -	-
Refrigerator & Freezer Recycling	7,200	$ 1,610,175	891	7,626,140	-	$ -	-
Residential Heating & Cooling	43,922	$ 11,344,004	15,770	10,351,846	26,778	$ 5,374,118	205,540
School Education Kits	43,867	$ 1,843,027	2,260	8,091,666	22,453	$ 431,439	53,956
Whole Home Efficiency	361	$ 154,746	94	670,717	288	$ 202,925	4,403
Residential Segment Total	**2,394,484**	**$ 33,295,807**	**37,360**	**147,770,554**	**606,787**	**$ 14,548,423**	**474,266**
Business Education	20,191	$ 267,750	-	-	2,562	$ 35,050	-
Business Energy Assessments	564	$ 5,305,310	6,306	36,195,555	104	$ 443,922	32,034
Business New Construction	262	$ 10,339,461	14,556	80,667,002	42	$ 695,185	94,860
Compressed Air Efficiency	207	$ 1,151,675	1,857	11,164,825	-	$ -	-
Custom Efficiency	39	$ 1,259,632	1,017	6,464,768	9	$ 206,188	20,518
Data Center Efficiency	64	$ 896,090	650	10,255,381	-	$ -	-
Efficiency Controls	122	$ 818,250	579	11,065,001	33	$ 76,105	9,825
Empower Facilities	58	$ 545,840	-	-	12	$ 60,649	-
Empower Intelligence	445	$ 670,933	-	3,082,869	2	$ 73,140	61
Foodservice Equipment	45	$ 64,236	37	260,588	53	$ 98,206	4,626
HVAC+R	2,806	$ 4,315,824	6,075	34,207,680	691	$ 1,468,757	123,345
Lighting Efficiency	7,414	$ 12,205,974	18,975	115,021,767	-	$ -	-
Load Strategy Analysis	46	$ 780,244	622	6,455,982	6	$ 37,669	5,341
Multi-Family Building Efficiency	10,098	$ 2,774,969	854	5,281,569	1,575	$ 1,054,868	50,251
Non-Profit Energy Savings Program	232,898	$ 2,022,376	1,154	10,328,831	122,666	$ 1,133,631	210,171
Process & Commercial Efficiency	797	$ 10,515,135	17,183	106,638,985	55	$ 1,412,754	159,026
Self-Direct	1	$ 185,298	221	1,000,327	-	$ -	-
Business Segment Total	**276,057**	**$ 54,118,999**	**70,086**	**438,091,129**	**127,810**	**$ 6,796,124**	**710,059**
Affordable Efficient New Home Construction	25	$ 413,743	10	110,585	11	$ 199,664	460
Home Energy Savings Program	6,150	$ 3,798,435	515	2,241,852	1,093	$ 4,729,485	13,129
Low Income Home Energy Squad	3,939	$ 1,256,787	442	2,587,214	1,477	$ 396,741	10,472
Low Income Multi-Family Building Efficiency	4,883	$ 3,265,152	990	3,407,067	1,384	$ 156,582	15,386
Workforce Development & Education	114	$ 3,615,554	-	-	17	$ 643,082	-
Income Qualified Segment Total	**15,111**	**$ 12,349,670**	**1,957**	**8,346,718**	**3,981**	**$ 6,125,554**	**39,448**
Commercial AC Control	5,950	$ 3,988,997	8,165	709,752	150	$ 41,307	1,155
Critical Peak Pricing	70	$ 307,000	53,457	210,605	-	$ -	-
Electric Rate Savings	40	$ 707,260	6,311	12,441	-	$ -	-
Peak Partner Rewards	100	$ 1,566,989	24,804	146,544	-	$ -	-
Residential Demand Response	836,160	$ 13,429,785	41,009	56,518	-	$ -	-
Demand Response Segment Total	**842,320**	**$ 20,000,031**	**133,746**	**1,135,859**	**150**	**$ 41,307**	**1,155**
Efficient Fuel Switching Training & Support	-	$ -	-	-	-	$ -	-
Outdoor Equipment	-	$ -	-	-	-	$ -	-
Efficient Fuel Switching Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**
Advertising & Promotion	-	$ 8,470,383	-	-	-	$ 1,828,013	-
Application Development & Maintenance	-	$ 4,362,657	-	-	-	$ 785,777	-
CIP Training	-	$ 478,064	-	-	-	$ 193,333	-
Community Energy Reporting	249	$ 43,714	-	-	169	$ 14,578	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-
Energy Benchmarking	9,615	$ 174,396	-	-	3,090	$ 51,759	-
Partners in Energy	690,000	$ 1,422,577	-	-	345,000	$ 365,754	-
Planning & Regulatory Affairs	-	$ 964,103	-	-	-	$ 499,129	-
Indirect Products & Services Total	**699,864**	**$ 15,915,893**	**-**	**-**	**348,259**	**$ 3,738,343**	**-**
Market Research	-	$ 2,469,193	-	-	-	$ 574,548	-
Product Development	-	$ 5,410,319	-	-	-	$ 201,545	-
Research, Evaluations & Pilots Total	**-**	**$ 7,879,512**	**-**	**-**	**-**	**$ 776,093**	**-**
Portfolio Total	**4,227,837**	**$ 143,559,913**	**243,149**	**595,344,260**	**1,086,988**	**$ 32,025,844**	**1,224,928**
Minnesota Assessments	-	$ 1,932,291	-	-	-	$ 294,738	-
Minnesota Efficient Technology Accelerator	-	$ 5,690,186	-	-	-	$ 1,191,107	-
Assessments Segment Total	**-**	**$ 7,622,477**	**-**	**-**	**-**	**$ 1,485,845**	**-**
EnerChange	-	$ 584,878	-	-	-	$ 64,986	-
EnergySmart	-	$ 714,525	-	-	-	$ 52,395	-
One Stop Shop	2,022	$ 13,268,321	7,780	45,306,375	219	$ 99,099	10,676
Trillion BTU	-	$ 171,850	-	-	-	$ 22,011	-
Alternative Filings Total	**2,022**	**$ 14,739,574**	**7,780**	**45,306,375**	**219**	**$ 238,491**	**10,676**
Portfolio Total w Alternative Filings	**4,229,859**	**$ 165,921,964**	**250,929**	**640,650,635**	**1,087,207**	**$ 33,750,180**	**1,235,604**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

2026 Efficient Fuel Switching Executive Summary

Program Name	Electric Participants	Electric Budget	Gen kW Savings	Gen kWh Savings	Gas Participants	Gas Budget	Dth Savings	Claimable Dth Savings
Consumer Education	-	$ -	-	-	-	$ -	-	-
Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Energy Efficient Showerheads	-	$ -	-	-	-	$ -	-	-
Home Energy Audit	-	$ -	-	-	-	$ -	-	-
Home Energy Insights	-	$ -	-	-	-	$ -	-	-
Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Home Lighting	-	$ -	-	-	-	$ -	-	-
Insulation Rebates	-	$ -	-	-	-	$ -	-	-
Lamp Recycling	-	$ -	-	-	-	$ -	-	-
Refrigerator & Freezer Recycling	-	$ -	-	-	-	$ -	-	-
Residential Heating & Cooling	2,842	$ 754,043	(22)	(6,835,088)	2,842	$ 2,670,172	61,863	38,541
School Education Kits	-	$ -	-	-	-	$ -	-	-
Whole Home Efficiency	55	$ -	(2)	(242,511)	36	$ 39,776	1,255	427
Residential Segment Total	**2,897**	**$ 754,043**	**(24)**	**(7,077,599)**	**2,878**	**$ 2,709,947**	**63,118**	**38,969**
Business Education	-	$ -	-	-	-	$ -	-	-
Business Energy Assessments	66	$ 46,154	-	(399,460)	66	$ 152,289	5,916	4,553
Business New Construction	9	$ -	(76)	(358,307)	9	$ 115,549	3,071	1,849
Compressed Air Efficiency	2	$ 10,317	(9)	(74,773)	-	$ -	-	-
Custom Efficiency	12	$ 32,632	-	(73,234)	10	$ 4,314	493	379
Data Center Efficiency	-	$ -	-	-	-	$ -	-	-
Efficiency Controls	-	$ -	-	-	-	$ -	-	-
Empower Facilities	-	$ -	-	-	-	$ -	-	-
Empower Intelligence	-	$ -	-	-	-	$ -	-	-
Foodservice Equipment	-	$ -	-	-	-	$ -	-	-
HVAC+R	39	$ -	(3)	(195,905)	38	$ 13,047	990	321
Lighting Efficiency	-	$ -	-	-	-	$ -	-	-
Load Strategy Analysis	-	$ -	-	-	-	$ -	-	-
Multi-Family Building Efficiency	-	$ -	-	-	-	$ -	-	-
Non-Profit Energy Savings Program	-	$ -	-	-	-	$ -	-	-
Process & Commercial Efficiency	5	$ 39,239	-	(13,315)	5	$ 3,262	197	152
Self-Direct	-	$ -	-	-	-	$ -	-	-
Business Segment Total	**133**	**$ 128,341**	**(88)**	**(1,114,995)**	**128**	**$ 288,460**	**10,667**	**7,254**
Affordable Efficient New Home Construction	-	$ -	-	-	-	$ -	-	-
Home Energy Savings Program	9	$ -	-	(58,719)	4	$ 25,485	159	(42)
Low Income Home Energy Squad	-	$ -	-	-	-	$ -	-	-
Low Income Multi-Family Building Efficiency	1	$ -	-	(6,089)	2	$ 231,673	89	68
Workforce Development & Education	-	$ -	-	-	-	$ -	-	-
Income Qualified Segment Total	**10**	**$ -**	**-**	**(64,808)**	**6**	**$ 257,158**	**247**	**26**
Commercial AC Control	-	$ -	-	-	-	$ -	-	-
Critical Peak Pricing	-	$ -	-	-	-	$ -	-	-
Electric Rate Savings	-	$ -	-	-	-	$ -	-	-
Peak Partner Rewards	-	$ -	-	-	-	$ -	-	-
Residential Demand Response	-	$ -	-	-	-	$ -	-	-
Demand Response Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Efficient Fuel Switching Training & Support	750	$ 2,160,000	-	-	-	$ -	-	-
Outdoor Equipment	550	$ 151,250	(4)	(54,251)	-	$ -	-	-
Efficient Fuel Switching Total	**1,300**	**$ 2,311,250**	**(4)**	**(54,251)**	**-**	**$ -**	**-**	**-**
Advertising & Promotion	-	$ -	-	-	-	$ -	-	-
Application Development & Maintenance	-	$ -	-	-	-	$ -	-	-
CIP Training	-	$ -	-	-	-	$ -	-	-
Community Energy Reporting	-	$ -	-	-	-	$ -	-	-
Electric Utility Infrastructure	-	$ -	-	-	-	$ -	-	-
Energy Benchmarking	-	$ -	-	-	-	$ -	-	-
Partners in Energy	-	$ -	-	-	-	$ -	-	-
Planning & Regulatory Affairs	-	$ -	-	-	-	$ -	-	-
Indirect Products & Services Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Market Research	-	$ -	-	-	-	$ -	-	-
Product Development	-	$ 541,032	-	-	-	$ 133,545	-	-
Research, Evaluations & Pilots Total	**-**	**$ 541,032**	**-**	**-**	**-**	**$ 133,545**	**-**	**-**
Portfolio Total	**4,340**	**$ 3,734,666**	**(116)**	**(8,311,654)**	**3,012**	**$ 3,389,110**	**74,032**	**46,249**
Minnesota Assessments	-	$ -	-	-	-	$ -	-	-
Minnesota Efficient Technology Accelerator	-	$ -	-	-	-	$ -	-	-
Assessments Segment Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
EnerChange	-	$ -	-	-	-	$ -	-	-
EnergySmart	-	$ -	-	-	-	$ -	-	-
One Stop Shop	-	$ -	-	-	-	$ -	-	-
Trillion BTU	-	$ -	-	-	-	$ -	-	-
Alternative Filings Total	**-**	**$ -**	**-**	**-**	**-**	**$ -**	**-**	**-**
Portfolio Total w Alternative Filings	**4,340**	**$ 3,734,666**	**(116)**	**(8,311,654)**	**3,012**	**$ 3,389,110**	**74,032**	**46,249**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

COMPLIANCE REQUIREMENTS

This section documents and summarizes the Company's compliance with relevant statutes and rules regarding the content of the 2024-2026 ECO Triennial Plan. Minn. R. 7690.0500 contains the requirements and procedures for ECO filings. Minn. Stat. §216B.2401, §216B.241, and §216B.2411 contain provisions the Company must meet in its ECO Plan. In addition, Minnesota Rule 7690.1200 lists the information which must be considered in determining whether a proposed program will result in reasonable investments in and expenditures for ECO. Information required for this determination is summarized in this section. Finally, this section includes compliance with the Deputy Commissioner's Decision on *Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities* issued on March 31, 2023. For additional clarity, we have also included Appendix 5: Compliance Matrix as a quick reference for compliance.

COMPLIANCE WITH RULES & STATUES

On May 10, 2023, the Deputy Commissioner issued a timeline modification extending the deadline for ECO Plans to June 30, 2023 (Docket No. E, G002/CIP-23-92) to provide time for utilities to reflect statutory changes during the 2023 legislative session. Therefore, the 2024-2026 ECO Triennial Plan fulfills the Company's compliance with Minn. Stat. §216B.241, subd. 2(b). Additionally, in 2009, the Company received approval from the Department to file a combined gas and electric ECO Plan. We continue with this approach in this plan.

1. Statutory Requirements

Energy Savings Goals (Minn. Stat. §216B.241, subd. 1c (b))

Minnesota Statute requires utilities to file an ECO Plan with no less than 1.75 percent gross annual electric retail energy sales and no less than 1.0 percent gross annual natural gas retail energy sales. Additionally, Minnesota Rule 7690.1200 specifies that the source of the sales information used to demonstrate compliance is to be the utility's annual jurisdictional report. Table 11 shows our proposed natural gas and electric targets annually, as percent of the previous three-year (2020, 2021 & 2022) weather-normalized sales, adjusted for exempt customers as of June 2022. Should additional customers be approved for exemption from DSM, we may request to modify the baseline to incorporate the effect of those exemptions.

Table 11: Electric Energy Savings as a Percent of Retail Sales

Total weather-normalized energy (MWh)	2020[14]	28,141,222
	2021[15]	28,814,203
	2022[16]	28,994,858
Sales to Exempt Customers (MWh)	2020	1,409,110
	2021	1,405,123
	2022	1,449,066
Net weather-normalized energy sales (MWh) (total sales less exempt customers)	2020	26,732,112
	2021	27,409,079
	2022	27,545,792
Average weather-normalized energy sales		27,228,995
1.75% of Sales (MWh)		**476,507**
Proposed Energy Savings Targets	**2024**	**615,432**
	2025	**614,507**
	2026	**640,651**
Energy Savings Targets as a Percent of Average Retail Sales	**2024**	**2.26%**
	2025	**2.26%**
	2026	**2.35%**

[14] 2020 Electric Jurisdictional Annual Report, E,G999/PR-21-4, Sales & Degree Days Data, p. E-30.
[15] 2021 Electric Jurisdictional Annual Report, E,G999/PR-22-4, Sales & Degree Days Data, p. E-30.
[16] 2022 Electric Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree Days Data, p. E-30.

Table 12: Natural Gas Energy Savings as a Percent of Retail Sales[17]

Total weather-normalized energy (Dth)	2020	120,653,358
	2021	123,694,923
	2022	108,053,647
Sales to Exempt Customers (Dth)	2020	42,752,388
	2021	48,077,072
	2022	28,811,373
Net weather-normalized energy sales (Dth) (total sales less exempt customers)	2020	77,900,970
	2021	75,617,850
	2022	79,242,274
Average weather-normalized energy sales		77,587,032
1.00% of Sales		**775,870**
Proposed Energy Savings Targets	**2024**	**1,102,563**
	2025	**1,180,236**
	2026	**1,281,853**
Energy Savings Targets as a Percent of Retail Sales	**2024**	**1.42%**
	2025	**1.52%**
	2026	**1.65%**

Efficient Fuel-Switching (Minn. Stat. §216B.241, subd. 1c (g))

Minnesota Statute limits public utility spending on efficient fuel-switching improvements to 0.35 percent per year, averaged over three years of the public utility's gross annual retail energy sales. In the Deputy Commissioner's Decision issued on March 15, 2022, the Department of Commerce provided further guidance on this metric to include, "Consistent with other CIP spending caps and requirements, spending on EFS improvements must not exceed 0.35 percent per year, averaged over three years of the [investor-owned utility]'s gross operating revenue (GOR) from non-exempt customers. EFS spending in IOU plans is to be prorated for January 1 - June 30, 2026."[18]

[17] Gas energy savings figures include both energy efficiency savings and claimable savings from efficient fuel-switching (calculated as the net savings considering both reduced gas consumption and increased electric consumption).
[18] Decision, In the Matter of Technical Guidance for the Inclusion of Efficient Fuel-Switching, Load Management, and Pre-Weatherization Measures in CIP, Department of Commerce, March 15, 2022. (Page 32).

Table 13 illustrates the Company's compliance with the limit on EFS spending.

Table 13: Efficient Fuel-Switching Spending Caps (2024-2026)

	Electric	Natural Gas
Annual Gross Operating Revenues (GOR)		
2020[19]	$2,976,117,171	$433,259,717
2021[20]	$3,256,794,613	$537,419,688
2022[21]	$3,649,323,863	$877,181,979
CIP Exemptions		
2020	$98,206,837	$11,418,135
2021	$108,425,089	$12,014,285
2022	$128,824,695	$11,825,673
Adjusted Gross Operating Revenue		
2020	$2,976,117,171	$421,841,583
2021	$3,256,794,613	$525,405,403
2022	$3,649,323,863	$865,356,307
Average Gross Operating Revenues (GOR)	$3,294,078,549	$604,201,098
EFS Spending Cap (0.35% of GOR)	**$11,529,275**	**$2,144,933**
2024-2026 Proposed EFS Spending		
2024	$2,686,633	$1,029,405
2025	$3,108,046	$1,813,320
2026 (proposed)	$3,734,66	$1,553,570
2026 (pro-rated)	$1,867,333	$1,694,555
Three-year Average EFS Spending (2024, 2025, 2026 pro-rated)	$2,554,004	$1,512,427

Table 13 calculates the 0.35 percent cap amount using gross operating revenue from non-exempt customers averaged over three years, "consistent with other CIP spending caps." It then calculates the three-year average of the Company's proposed EFS spending, pro-rating spending in 2026 per the Deputy Commissioner's Decision. The resulting three-year average spending is below 0.35 percent of the three-year average of GOR.

[19] 2020 Gas Jurisdictional Annual Report, E,G999/PR-21-4, Sales & Degree E-39. 2020 Electric Jurisdictional Annual Report, E,G999/PR-21-4, Sales & Degree E-30.
[20] 2021 Gas Jurisdictional Annual Report, E,G999/PR-22-4, Sales & Degree E-39. 2021 Electric Jurisdictional Annual Report, E,G999/PR-22-4, Sales & Degree E-30.
[21] 2022 Gas Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree E-39. 2022 Electric Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree E-30.

Facilities Energy Efficiency (Minn. Stat. §216B.241, subd. 1f)

Minn. Stat. §216B.241, subd. 1f requires all utilities to include in their triennial plans programs that facilitate professional engineering verification to qualify a building as ENERGY STAR-labeled, Leadership in Energy and Environmental Design certified, or Green Globes-certified. Xcel Energy's Business New Construction and Business Energy Assessment programs satisfy this requirement.

R&D Spending Cap (Minn. Stat. §216B.241, subd. 2(e))

Minn. Stat. §216B.241, subd. 2(e) allows public utilities use up to ten percent of the total amount spent and invested on energy conservation improvements towards research and development projects that meet the definition of energy conservation improvements.

Research and Development (R&D) identifies, assesses, and develops new load management and energy efficiency products and services. This work allows the Company to identify and promote promising new energy saving opportunities for its customers. A narrative summary of R&D activities and the corresponding dollar amounts is provided in the Product Development section of this report.

Table 14: Research & Development Spending Cap

Year	Fuel Type	Total Portfolio Budget	EFS Spending	Conservation Improvement Spending (including Alternative Programs)	Maximum Conservation R&D Spending	Proposed Conservation R&D Budget
2024	**Electric**	$155,150,773	$2,686,633	$152,464,140	$15,246,414	$5,232,917
	Natural Gas	$29,820,687	$1,029,405	$28,791,282	$2,879,128	$198,051
2025	**Electric**	$163,096,354	$3,108,046	$19,988,308	$15,998,831	$5,320,694
	Natural Gas	$33,278,543	$1,813,320	$31,465,223	$3,146,522	$199,768
2026	**Electric**	$169,565,630	3,734,666	$165,921,954	$16,592,196	$5,410,319
	Natural Gas	$37,139,292	$3,389,110	$33,750,180	$3,375,018	$201,545

In addition, the Company intends to use approximately $500,000 of electric EFS spending and $130,000 of natural gas EFS spending per year towards research and development activities in support of EFS. These are not included as part of the requirement but instead falls under Minn. Stat. §216B.241, subd. 1c (g). EFS spending is identified as part of the Research, Evaluations and Pilots Segment detailed write-up.

Public Schools (Minn. Stat. §216B.241, subd. 2(i))

Minnesota Statute requires public utilities to include activities to improve energy efficiency in public schools served by the utility. As applicable to each public utility, at a minimum the activities must include programs to increase the efficiency of the school's lighting and heating and cooling systems, and to provide for building recommissioning, building operator training, and opportunities to

educate students, teachers, and staff regarding energy efficiency measures implemented at the school.

The Company's extensive business portfolio provides several opportunities for public schools through our Business Lighting program, HVAC+R program, Energy Assessment programs, etc to participate in energy efficiency options. Our dedicated account management staff provides guidance to public schools regarding what program opportunities are available and may benefit the school's unique needs. Additionally, the Company has a School Kits program to help public schools engage students in energy efficiency in their homes, while providing content to teachers within their lessons.

Greenhouse Gas Emissions (Minn. Stat. §216B.241, subd. 2(k))

Public utilities filing an ECO plan including efficient-fuel switching must, as part of the filing, demonstrate that the eligibility requirements for EFS have been met through a comparison of greenhouse gas emissions between fuels, using a full fuel-cycled energy analysis. The Company's analysis demonstrating the eligibility of its proposed EFS measures is provided in Appendix 3: Efficient Fuel Switching Screening.

Efficient Lighting Program (Minn. Stat. §216B.241, subd. 5)

Electric utilities are required to invest in projects that encourage the use of energy efficient lighting and reclamation or recycling of spent fluorescent and high intensity discharge lamps. The Company meets this requirement through its business and residential lighting and lamp recycling programs.

Low-Income Spending Requirement (Minn. Stat. §216B.241, subd. 7(a))

Beginning in 2024, natural gas utilities must spend at least one percent, and electric utilities must spend at least 0.6 percent, of their gross operating revenues from residential customers on energy conservation and efficient fuel-switching programs for low-income households. The following table provides the calculation of Xcel Energy's minimum low-income spending requirement.

Table 15: Calculation of Minimum Low-Income Spending Requirement

	Electric	**Natural Gas**
2020 GOR from residential customers	$ 1,245,982,744	$254,094,509
2021 GOR from residential customers	$ 1,288,477,621	$319,552,401
2022 GOR from residential customers	$ 1,398,685,635	$515,210,371
Average Residential Gross Operating Revenues (GOR)	$ 1,311,048,667	$362,952,427
Minimum Spending Requirement		
1% Natural Gas		$ 3,629,524
0.6% Electric	$ 7,866,292	

Table 16 illustrates how the Company's proposed low-income spending compares to the minimum requirements. Table 16 includes both spending through dedicated programs in the Income Qualified segment as well as spending in other segments that include "hybrid" programs – programs for which

there is no income-related eligibility requirement to participate, but which offer additional benefits (such as higher rebate amounts) for customers who do meet income eligibility criteria.

Table 16: 2024-2026 Triennial Proposal - Proposed Low-Income Spending per Segment

		Proposed Electric	% of GOR	Proposed Natural Gas	% of GOR
Income-Qualified Segment	**2024**	**$ 9,189,401**	**0.70%**	**$ 4,069,972**	**1.12%**
	2025	**$ 10,996,722**	**0.84%**	**$ 4,920,293**	**1.36%**
	2026	**$ 12,349,670**	**0.94%**	**$ 6,125,554**	**1.69%**
Residential Segment[22] (Hybrid Programs)	2024	$ 171,000	0.01%	$ 39,852	0.01%
	2025	$ 171,000	0.01%	$ 39,852	0.01%
	2026	$ 171,000	0.01%	$ 39,852	0.01%
Business Segment[23] (Hybrid Programs)	2024	$ 818,200	0.06%	$ 642,000	0.18%
	2025	$ 1,166,497	0.09%	$ 686,467	0.19%
	2026	$ 1,419,918	0.11%	$ 749,068	0.21%
Market Research (Hybrid Program)	2024	$ 150,000	0.01%	$ 75,000	0.02%
	2025	$ 150,000	0.01%	$ 75,000	0.02%
	2026	$ 150,000	0.01%	$ 75,000	0.02%
Total	2024	$ 10,328,601	0.79%	$ 4,826,824	1.33%
	2025	$ 12,484,219	0.95%	$ 5,721,612	1.58%
	2026	$ 14,090,588	1.07%	$ 6,989,474	1.93%

Preweatherization Measures (Minn. Stat. §216B.241, subd. 7(f))

Statute allows utilities to spend up 15 percent of their total low-income spending on pre-weatherization measures. The Company provides preweatherization measures as part of our income-qualified segment as discussed in the detailed program write-ups. Actual spending for preweatherization measures will be reported as part of our annual Status Report. Statute also permits utilities to contribute to the state's Healthy AIR (Asbestos Insulation Removal) account (§216B.241, subd. 7(h)); funds contributed count toward both the minimum low-income spending and the 15 percent cap on preweatherization spending. If the Company contributes to the Healthy AIR account during a given program year, the Company will report the amount in its annual Status Report.

Assessments (Minn. Stat. §216B.241, subd. 8)

Please see the Assessment Segment detailed segment write-up for further details regarding assessments made under this subdivision.

Building Performance Standards (Minn. Stat. §216B.241, subd. 9(e))

Utilities are required to develop and implement programs that are expressly designed to achieve energy efficiency goals consistent with the Sustainable Building 2030 performance standards. These

[22] Residential Hybrid Programs include School Education Kits. Further details regarding how low-income customers are identified can be found in the program write-ups.

[23] Commercial Hybrid Programs include the Non-Profit Energy Savings Program, Partners in Energy, and Building New Construction. Further details regarding how low-income customers are identified can be found in the program write-ups.

programs must include offerings of design assistance and modeling, financial incentives, and the verification of the proper installation of energy-efficient design components in new and substantially reconstructed buildings. A utility's design assistance program must consider the strategic planting of trees and shrubs around buildings as an energy conservation strategy for the designed project. The Company's plan supports achievement of the Sustainable Building 2030 performance standards through its Business New Construction program, which includes design assistance and modeling, performance-based incentives, and installation verification. Therefore, the Company's plan is compliant with this statutory requirement.

Programs for Efficient Fuel Switching; Electric and Natural Gas Utilities (Minn. Stat. §216B.241, subd. 11 & 12)

Programs and policies related to EFS are discussed in more detail within the detailed segment write-up for Efficient Fuel Switching. Compliance with the eligibility requirements related to EFS are detailed in Appendix 3: Efficient Fuel Switching.

Cost-effective Load Management Programs (Minn. Stat. §216B.241, subd. 13)

A public utility may propose load management programs that meet the criteria of statute and claim associated energy savings if these programs' primary purpose is energy efficiency. The Company proposes several load management (or demand response) programs in our plan and provides further details in our detailed program write-ups. Because the proposed programs result in a decrease in annual energy consumption, the Company believes it is reasonable to claim energy efficiency savings for them, consistent with prior practice. At this time, the Company is not proposing any programs intended to support load shifting (or other load management activity) with no reduction in annual energy consumption, though it may support individual customer projects through the custom rebate process and may propose such programs in future modifications.

Minnesota Efficient Technology Accelerator (Minn. Stat. §216B.241, subd. 14 (h))

Public utilities with more than 30,000 customers are required to contribute to the funding of the Minnesota Efficient Technology Accelerator (ETA) once that program is approved. The Deputy Commissioner approved a proposal from Center for Energy and Environment (CEE)[24]; the Company has included the contributions to ETA as provided by CEE in their December 21, 2023 Compliance Filing in Docket No. E002/CIP-23-92.

Distributed Energy Resources. (Minn. Stat. §216B.2411, subd. 1)

Public utilities may use five percent of the total amount to be spent on energy conservation improvements under section 216.241 for distributed energy projects. The Company is not proposing to do so within this Plan.

[24] Docket Number E,G999/CIP-21-548.

Other Compliance

Combined Natural Gas and Electric DSM Plans

Minn. R. 7690.0500, subp. 1, governs the submission of investor-owned electric and natural gas utilities' Conservation Improvement Programs. The Company requested a variance to Minn. R. 7690.0500 to allow for a combined natural gas and electric Plan. This variance was originally granted in the Commission's Decision in Docket Nos. E002/CIP-99-1057.03 and G002/98-723.02 dated December 21, 2001. On March 2, 2009, in Docket No. E, G002/CIP-09-198 we filed a variance request to submit a combined electric and natural gas plan on June 1, 2009 as well as with each subsequent annual status report. On May 13, 2009, the Director approved our request for all future Triennial Plans and Status Reports.

Information Required by Minnesota Rules 7690.0500

Minn. R. 7690.0500, subp. 2, governs the contents of each Triennial Plan. Each content component is addressed below.

A. A comprehensive description of the proposed program, including a description of each project making up the program;

Please see the description in each program and segment write-up.

B. For each individual project, a completed project information sheet will be provided by the department. The project information sheet can be used to provide the information required in items E and F;

The 2024, 2025 and 2026 program information sheets are included as a separate document filed alongside our Plan as Attachment B.

C. For each project making up the program, a description of the expected effect of each project on peak demand and energy consumption with supporting assumptions, including a list of each conservation technology or process to be promoted and the energy – and demand – savings assumptions associated with each identified technology;

Please see enclosed technical assumptions for each project as noted in the Technical Assumptions Section.

D. For each electric utility that must submit an integrated resource plan to the Public Utilities Commission, an explanation of how its overall conservation improvement program enables the utility to meet the long-term demand-side management goals established in its most recent integrated resource plan;

The proposed electric savings targets, while lower than the total commitment, still align with the Company's DSM commitments in our most recent Midwest Integrated Resource Plan (Docket No. E002/RP-19-368). Our ECO Triennial Plan includes the savings we can justifiably claim based on technical requirements approved by the Deputy Commissioner of Commerce. There are a portion of customer savings that are no longer or never claimed under the ECO umbrella – these include lighting technologies and cooling equipment that are efficient, but no longer over Minnesota State Energy code—or many energy-efficient appliances that are not rebated by the Company. We believe that our ECO Plan achievements plus "naturally occurring" savings will continue to meet our regulatory commitments and help us continue to lower our carbon footprint towards Minnesota's audacious targets. This is consistent with the discussion of program-driven and naturally occurring energy conservation found in Appendix G1 of the Company's Integrated Resource Plan (pp. 34-35).

E. An estimate of the expected cost-effectiveness of each project to the utility, to the project's participants, to the utility's ratepayers, and to society;

Cost-effectiveness for each individual segment and program and the overall ECO portfolio is summarized in Tables 30a – 32c.

F. For each project targeted at residential consumers, an estimate of the anticipated percentage of use of each project among a. Low-income participants; and b. Renters;

Anticipated low-income and renter participation estimates for each program, segment and overall ECO portfolio are provided below. Some of these programs are noted as NA, in these instances there may not be an ability to track income or renter details as part of the program. The Company will include further details regarding these programs within our annual Status Reports.

Table 17: Low Income Participation by Project (Electric), 2024-2026

Program	2024			2025			2026		
	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation
Business Segment									
Business New Construction	320		0.0%	258	3	1.2%	262	9	3.4%
Multi-Family Building Efficiency	7,920	-	0.0%	8,986		0.0%	1,098		0.0%
Non-Profit Energy Savings	210,924	190,000	90.1%	221,642	190,000	85.7%	232,898	190,000	81.6%
Subtotal	**219,164**	**190,000**	**86.7%**	**230,886**	**190,003**	**82.3%**	**234,258**	**190,009**	**81.1%**
Residential Segment Total									
Consumer Education	481,500		NA	481,500		NA	481,500		NA
Efficient New Home Con.	2,925	20	0.7%	3,211	22	0.7%	3,542	25	0.7%
Energy Efficient Showerheads	4,860	141	2.9%	4,950	144	2.9%	5,150	149	2.9%
Home Energy Audit	13,843	111	0.8%	15,607	125	0.8%	17,639	141	0.8%
Home Energy Insights	1,119,270		NA	1,073,690		NA	1,031,550		NA
Home Energy Squad	11,322	-	0.0%	12,455	-	0.0%	13,700	-	0.0%
Home Lighting	337,450		NA	281,406		NA	309,362		NA
Insulation Rebate Program	2,355	39	1.7%	2,588	43	1.7%	2,846	47	1.7%
Lamp Recycling	471,787		NA	452,816		NA	433,845		NA
Refrigerator & Freezer Recycling	7,000	116	1.7%	7,100	117	1.7%	7,200	119	1.7%
Residential Heating and Cooling	41,852	42	0.1%	42,532	43	0.1%	43,882	44	0.1%
School Education Kits	42,000	3,650	8.7%	42,920	3,742	8.7%	43,867	3,836	8.7%
Whole Home Efficiency	215	1	0.5%	282	1	0.5%	361	2	0.5%
Subtotal	**2,536,379**	**4,119**	**0%**	**2,421,057**	**4,237**	**0.2%**	**2,394,444**	**4,363**	**0.18%**
Income Qualified Segment									
Affordable Efficient New Home	25	25	100.0%	25	25	100.0%	25	25	100.0%
Home Energy Savings Program	4,864	4,864	100.0%	5,497	5,497	100.0%	6,150	6,150	100.0%
LI Home Energy Squad	2,521	2,521	100.0%	3,152	3,152	100.0%	3,939	3,939	100.0%
LI Multi-Family Building Eff.	3,691	3,691	100.0%	4,290	4,290	100.0%	4,883	4,883	100.0%
Workforce Development & Ed.	87	87	100.0%	104	104	100.0%	114	114	100.0%
Subtotal	**11,188**	**11,188**	**100.0%**	**13,067**	**13,067**	**100.0%**	**15,111**	**15,111**	**100.0%**
Demand Response Segment									
Residential Demand Response	824,430	10,718	1.3%	831,045	10,804	1.3%	836,160	10,870	1.3%
Subtotal	**824,430**	**10,718**	**1.3%**	**831,045**	**10,804**	**0.0%**	**836,160**	**10,870**	**1.3%**
TOTAL	**3,591,161**	**216,025**	**6.0%**	**3,496,595**	**218,651**	**6.3%**	**3,479,973**	**220,353**	**6.3%**

Table 18: Low Income Participation by Project (Natural Gas), 2024-2026

Program	2024			2025			2026		
	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation
Business Segment									
Business New Construction	32	-	0.0%	37	1	2.7%	42	7	16.7%
Multi-Family Building Efficiency	1,293	-	0.0%	1,428		0.0%	1,575		0.0%
Non-Profit Energy Savings Program	110,143	109,702	99.6%	116,233	115,652	99.5%	122,666	121,930	99.4%
Subtotal	**111,468**	**109,702**	**98.4%**	**117,698**	**115,653**	**98.3%**	**124,283**	**121,937**	**98.1%**
Residential Segment									
Consumer Education	321,000		NA	321,000		NA	321,000		NA
Efficient New Home Construction	1,630	33	2.0%	1,784	36	2.0%	1,962	39.24	2.0%
Energy Efficient Showerheads	6,840	458	6.7%	7,250	486	6.7%	7,425	497.475	6.7%
Home Energy Audit	5,105	327	6.4%	5,757	368	6.4%	6,511	416.704	6.4%
Home Energy Insights	277,060		NA	243,620		NA	212,540		NA
Home Energy Squad	4,160	-	0.0%	4,576	-	0.0%	5,034	-	0.0%
Home Lighting									
Insulation Rebate Program	2,313	60	2.6%	2,541	66	2.6%	2,796	72.696	2.6%
Lamp Recycling									
Refrigerator & Freezer Recycling									
Residential Heating and Cooling	25,958	441	1.7%	26,218	446	1.7%	26,738	454.546	1.7%
School Education Kits	21,500	2,197	10.2%	21,970	2,197	10.0%	22,453	2,245	10.0%
Whole Home Efficiency	202	1	0.5%	242	1	0.5%	288	1.44	0.5%
Subtotal	**665,768**	**3,517**	**1%**	**634,958**	**3,600**	**0.6%**	**606,747**	**3,727**	**1%**
Income Qualified Segment									
Affordable Efficient New Home Con	11	11	100.0%	11	11	100.0%	11	11	100.0%
Home Energy Savings Program	754	754	100.0%	874	874	100.0%	1,093	1092.72	100.0%
LI Home Energy Squad	945	945	100.0%	1,181	1,181	100.0%	1,477	1476.5625	100.0%
LI Multi-Family Building Eff.	1,126	1,126	100.0%	1,255	1,255	100.0%	1,384	1,384	100.0%
Workforce Development & Ed.	13	13	100.0%	16	16	100.0%	17	17.1666	100.0%
Subtotal	**2,849**	**2,849**	**100.0%**	**3,337**	**3,337**	**100.0%**	**3,982**	**3,982**	**100.0%**
Demand Response Segment									
Residential Demand Response									
Subtotal									
Efficient Fuel Switching									
Outdoor Equipment									
Subtotal									
TOTAL	**780,085**	**116,068**	**15%**	**755,993**	**122,590**	**16%**	**735,012**	**129,645**	**18%**

Table 19: Renter Participation by Project (Electric), 2024-2026

Program	2024			2025			2026		
	Participation Target	Renter Participation	Percent of Participation	Participation Target	Renter Participation	Percent of Participation	Participation Target	Renter Participation	Percent of Participation
Business Segment									
Business New Construction	320		NA	258		NA	262		NA
Multi-Family Building Efficiency	7,920	7,761	98.0%	8,986	8,806	98.0%	1,098	1,076	98.0%
Non-Profit Energy Savings Program	210,924		NA	221,642		NA	232,898		NA
Subtotal	**219,164**	**7,761**	**3.5%**	**230,886**	**8,806**	**3.8%**	**234,258**	**1,076**	**0.5%**
Residential Segment									
Consumer Education	481,500		NA	481,500		NA	481,500		NA
Efficient New Home Construction	2,925	44	1.5%	3,211	48	1.5%	3,542	53	1.5%
Energy Efficient Showerheads	4,860	1,115	23.0%	4,950	1,136	23.0%	5,150	1,182	23.0%
Home Energy Audit	13,843	803	5.8%	15,607	905	5.8%	17,639	1,023	5.8%
Home Energy Insights	1,119,270		NA	1,073,690		NA	1,031,550		NA
Home Energy Squad	11,322	345	3.1%	12,455	380	3.1%	13,700	418	3.1%
Home Lighting	337,450		NA	281,406		NA	309,362		NA
Insulation Rebate Program	2,355	37	1.6%	2,588	40	1.6%	2,846	44	1.6%
Lamp Recycling	471,787		NA	452,816		NA	433,845		NA
Refrigerator & Freezer Recycling	7,000	200	2.9%	7,100	202	2.9%	7,200	205	2.9%
Residential Heating and Cooling	41,852	837	2.0%	42,532	851	2.0%	43,882	878	2.0%
School Education Kits	42,000		NA	42,920		NA	43,867		NA
Whole Home Efficiency	215	1	0.5%	282	1	0.5%	361	2	0.5%
Subtotal	**2,536,379**	**3,382**	**0.1%**	**2,421,057**	**3,564**	**0.1%**	**2,394,444**	**3,805**	**0%**
Income Qualified Segment									
Affordable Efficient New Home Con	25	-	0.0%	25	0	43.8%	25	0	0.0%
Home Energy Savings Program	4,864	717	14.7%	5,497	814	14.8%	6,150	910	14.8%
LI Home Energy Squad	2,521	369	14.7%	3,152	~~3,152~~ 463	14.7%	3,939	~~3,939~~ 579	14.7%
LI Multi-Family Building Efficiency	3,691	3,691	100.0%	4,290	4,290	100.0%	4,883	4,883	100.0%
Workforce Development & Ed.	87		NA	104		NA	114		NA
Subtotal	**11,188**	**4,777**	**42.7%**	**12,964**	**5,567**	**42.9%**	**15,111**	**6,372**	**42.2%**
Demand Response Segment									
Residential Demand Response	824,430	21,023	2.6%	831,045	21,192	2.6%	836,160	21,322	2.6%
Subtotal	**824,430**	**21,023**	**2.6%**	**831,045**	**10,804**	**0.0%**	**836,160**	**21,322**	**2.6%**
Efficient Fuel Switching									
Outdoor Equipment									
Subtotal									
TOTAL	**3,579,973**	**36,943**	**1%**	**3,495,952**	**28,741**	**0.8%**	**3,479,973**	**32,575**	**0.9%**

Table 20: Renter Participation by Project (Electric), 2024-2026

Program	2024			2025			2026		
	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation	Participation Target	LI Participation	Percent of Participation
Business Segment									
Business New Construction	32		NA	37		NA	42		NA
Multi-Family Building Efficiency	1,293	1,239	96.0%	1,428	1,367	96.0%	1,575	1,506	96.0%
Non-Profit Energy Savings Program	110,143		NA	116,233		NA	122,666		NA
Subtotal	**111,468**	**1,239**	**1.1%**	**117,698**	**1,367**	**1.2%**	**124,283**	**1,506**	**1.2%**
Residential Segment									
Consumer Education	321,000		NA	321,000		NA	321,000		NA
Efficient New Home Construction	1,630	24	1.5%	1,784	26	1.5%	1,962	28.449	1.5%
Energy Efficient Showerheads	6,840	219	3.2%	7,250	232	3.2%	7,425	237.6	3.2%
Home Energy Audit	5,105	373	7.3%	5,757	420	7.3%	6,511	475.303	7.3%
Home Energy Insights	277,060		NA	243,620		NA	212,540		NA
Home Energy Squad	4,160	-	4.0%	4,576	-	4.0%	5,034	199	4.0%
Home Lighting									
Insulation Rebate Program	2,313	29	1.3%	2,541	32	1.3%	2,796	34.95	1.3%
Lamp Recycling									
Refrigerator & Freezer Recycling									
Residential Heating and Cooling	25,958	467	1.8%	26,218	472	1.8%	26,738	481.284	1.8%
School Education Kits	21,500		NA	21,970		NA	22,453		NA
Whole Home Efficiency	202	1	0.5%	242	1	0.5%	288	1.44	0.5%
Subtotal	**665,768**	**1,112**	**0.2%**	**634,958**	**1,183**	**0.2%**	**606,747**	**1,458**	**0%**
Income Qualified Segment									
Affordable Efficient New Home Con	11	-	0.0%	11	11	0.0%	11	11	0.0%
Home Energy Savings Program	754	393	52.1%	874	455	52.1%	1,093	991	52.1%
LI Home Energy Squad	945	181	19.2%	1,181	227	19.2%	1,477	284	19.2%
LI Multi-Family Building Efficiency	1,126	1,126	100.0%	1,255	1,255	100.0%	1,384	1,384	100.0%
Workforce Development & Ed.	13		NA	16		NA	17		NA
Subtotal	**2,849**	1,700	59.6%	**3,337**	1,948	58.3%	**3,982**	2,670	67%
Demand Response Segment									
Residential Demand Response									
Subtotal									
Efficient Fuel Switching									
Outdoor Equipment									
Subtotal									
TOTAL PROGRAM	**780,085**	**44,051**	**1%**	**755,993**	**4,498**	**1%**	**735,012**	**5,634**	**1%**

G. A detailed budget for each project for the next three years;

A detailed budget for each program, segment and overall CIP portfolio are provided in Tables 21-29.

Table 21: Detailed Budget (Electric, 2024)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$0	$197,500	$765,500	$0	$0	$0	$963,000
Efficient New Home Construction	$0	$603,178	$120,000	$0	$0	$951,027	$1,674,205
Energy Efficient Showerheads	$0	$90,142	$35,000	$0	$0	$21,286	$146,428
Home Energy Audit	$0	$2,226,758	$67,900	$0	$0	$0	$2,294,658
Home Energy Insights	$0	$1,292,724	$20,000	$0	$0	$0	$1,312,724
Home Energy Squad	$781,293	$750,769	$954,500	$0	$0	$828,126	$3,314,688
Home Lighting	$0	$754,250	$640,000	$0	$0	$5,117,969	$6,512,219
Insulation Rebates	$0	$40,935	$5,000	$2,000	$0	$259,101	$307,036
Lamp Recycling	$0	$326,986	$0	$0	$0	$0	$326,986
Refrigerator & Freezer Recycling	$0	$1,035,915	$150,000	$0	$0	$350,000	$1,535,915
Residential Heating & Cooling	$0	$531,744	$70,723	$28,977	$33,536	$9,466,651	$10,131,631
School Education Kits	$0	$824,832	$5,000	$0	$0	$874,927	$1,704,759
Whole Home Efficiency	$0	$9,123	$0	$0	$0	$73,101	$82,224
Residential Segment Total	**$781,293**	**$8,684,856**	**$2,833,623**	**$30,977**	**$33,536**	**$17,942,188**	**$30,306,472**
Business Education	$0	$84,000	$158,300	$0	$0	$0	$242,300
Business Energy Assessments	$3,580	$1,591,937	$29,832	$975	$446,903	$2,299,669	$4,372,896
Business New Construction	$0	$2,644,403	$18,677	$323,730	$622,558	$8,147,785	$11,757,153
Compressed Air Efficiency	$0	$242,258	$0	$0	$0	$736,925	$979,183
Custom Efficiency	$0	$611,097	$0	$24,499	$9,800	$516,795	$1,162,191
Data Center Efficiency	$3,333	$189,385	$89,331	$13,333	$26,666	$914,728	$1,236,777
Efficiency Controls	$0	$190,625	$0	$0	$0	$438,494	$629,119
Empower Facilities	$0	$978,728	$32,220	$0	($46,286)	$0	$964,662
Empower Intelligence	$0	$894,820	$5,900	$0	($361,203)	$0	$539,517
Foodservice Equipment	$0	$25,858	$12,150	$2,500	$2,600	$18,749	$61,857
HVAC+R	$0	$1,125,618	$144,000	$45,000	$252,871	$2,554,348	$4,121,836
Lighting Efficiency	$0	$2,325,084	$325,000	$75,000	$25,000	$9,201,741	$11,951,825
Load Strategy Analysis	$0	$337,773	$0	$0	$0	$407,490	$745,263
Multi-Family Building Efficiency	$0	$1,012,090	$10,800	$0	$492,591	$763,838	$2,279,319
Non-Profit Energy Savings Program	$0	$434,106	$134,000	$0	$0	$1,143,574	$1,711,680
Process & Commercial Efficiency	$99,686	$3,161,699	$59,812	$39,874	$79,749	$8,214,620	$11,655,440
Self-Direct	$0	$42,071	$0	$0	$0	$137,301	$179,372
Business Segment Total	**$106,599**	**$15,891,551**	**$1,020,021**	**$524,912**	**$1,551,250**	**$35,496,057**	**$54,590,390**
Affordable Efficient New Home Cons	$0	$12,048	$0	$0	$0	$402,730	$414,778
Home Energy Savings Program	$0	$600,835	$450,000	$42,000	$0	$1,807,656	$2,900,491
Low Income Home Energy Squad	$0	$262,861	$700,000	$0	$0	$174,853	$1,137,714
Low Income Multi-Family Building Efficiency	$0	$254,567	$82,400	$0	$135,877	$1,825,206	$2,298,051
Workforce Development & Education	$0	$1,841,668	$1,700	$0	$595,000	$0	$2,438,368
Income Qualified Segment Total	**$0**	**$2,971,980**	**$1,234,100**	**$42,000**	**$730,877**	**$4,210,444**	**$9,189,401**
Commercial AC Control	$0	$2,555,022	$200,000	$200,000	$0	$332,527	$3,287,549
Critical Peak Pricing	$5,000	$176,200	$10,000	$25,000	$0	$0	$216,200
Electric Rate Savings	$0	$763,696	$840	$0	$0	$0	$764,536
Peak Partner Rewards	$32,000	$507,236	$25,000	$10,000	$0	$780,880	$1,355,116
Residential Demand Response	$0	$9,501,273	$744,488	$125,000	$25,000	$2,126,475	$12,522,236
Demand Response Segment Total	**$37,000**	**$13,503,427**	**$980,328**	**$360,000**	**$25,000**	**$3,239,882**	**$18,145,637**
Efficient Fuel Switching Training	$0	$0	$0	$0	$0	$0	$0
Outdoor Equipment	$0	$0	$0	$0	$0	$0	$0
Efficient Fuel Switching Total	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Advertising & Promotion	$0	$1,599,403	$5,497,639	$0	$0	$0	$7,097,042
Application Development & Maintenance	$0	$3,485,264	$0	$0	$0	$0	$3,485,264
CIP Training	$0	$359,484	$0	$0	$0	$0	$359,484
Community Energy Reporting	$0	$40,858	$0	$0	$0	$0	$40,858
Electric Utility Infrastructure	$0	$0	$0	$0	$0	$0	$0
Energy Benchmarking	$0	$126,771	$0	$0	$0	$0	$126,771
Partners in Energy	$0	$1,321,371	$11,500	$0	$0	$0	$1,332,871
Planning & Regulatory Affairs	$0	$900,000	$0	$0	$0	$0	$900,000
Indirect Products & Services Total	**$0**	**$7,833,151**	**$5,509,139**	**$0**	**$0**	**$0**	**$13,342,290**
Market Research	$0	$650,974	$0	$1,495,313	$0	$0	$2,146,287
Product Development	$0	$5,057,917	$0	$150,000	$25,000	$0	$5,232,917
Research, Evaluations & Pilots Total	**$0**	**$5,708,891**	**$0**	**$1,645,313**	**$25,000**	**$0**	**$7,379,204**
Portfolio Total	**$924,892**	**$54,593,856**	**$11,577,211**	**$2,603,201**	**$2,365,663**	**$60,888,572**	**$132,953,394**
Minnesota Assessments	$0	$1,932,291	$0	$0	$0	$0	$1,932,291
MN Efficient Technology Accelerator	$0	$3,041,550	$0	$0	$0	$0	$3,041,550
Assessments Segment Total	**$0**	**$4,973,841**	**$0**	**$0**	**$0**	**$0**	**$4,973,841**
EnerChange	$0	$551,304	$0	$0	$0	$0	$551,304
EnergySmart	$0	$635,250	$0	$0	$0	$0	$635,250
One Stop Shop	$0	$5,670,813	$0	$0	$0	$7,507,811	$13,178,624
Trillion BTU	$0	$171,727	$0	$0	$0	$0	$171,727
Alternative Filings Total	**$0**	**$7,029,094**	**$0**	**$0**	**$0**	**$7,507,811**	**$14,536,905**
2024 Electric Portfolio Total	**$924,892**	**$66,596,791**	**$11,577,211**	**$2,603,201**	**$2,365,663**	**$68,396,383**	**$152,464,140**

Table 22: Detailed Budget (Natural Gas, 2024)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ 95,000	$ 547,000	$ -	$ -	$ -	$ 642,000
Efficient New Home Construction	$ -	$ 699,959	$ 280,000	$ -	$ -	$ 1,319,145	$ 2,299,104
Energy Efficient Showerheads	$ -	$ 135,527	$ 60,000	$ -	$ -	$ 49,115	$ 244,642
Home Energy Audit	$ -	$ 1,463,414	$ 55,300	$ -	$ -	$ -	$ 1,518,714
Home Energy Insights	$ -	$ 318,553	$ 10,000	$ -	$ -	$ -	$ 328,553
Home Energy Squad	$ 332,643	$ 249,146	$ 282,628	$ -	$ -	$ 156,296	$ 1,020,713
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ 41,350	$ 5,000	$ 2,000	$ -	$ 1,170,672	$ 1,219,022
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 393,234	$ 68,317	$ 11,090	$ 36,538	$ 4,883,886	$ 5,393,065
School Education Kits	$ -	$ 310,986	$ 2,500	$ -	$ -	$ 85,034	$ 398,520
Whole Home Efficiency	$ -	$ 34,812	$ -	$ -	$ -	$ 136,801	$ 171,612
Residential Segment Total	**$ 332,643**	**$ 3,741,980**	**$ 1,310,746**	**$ 13,090**	**$ 36,538**	**$ 7,800,948**	**$ 13,235,945**
Business Education	$ -	$ 11,800	$ 18,950	$ -	$ -	$ -	$ 30,750
Business Energy Assessments	$ -	$ 176,894	$ 17,190	$ 421	$ 31,487	$ 192,937	$ 418,929
Business New Construction	$ -	$ 232,517	$ 1,583	$ 21,111	$ 27,444	$ 275,242	$ 557,897
Compressed Air Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Custom Efficiency	$ -	$ 73,228	$ -	$ 3,000	$ 6,000	$ 120,008	$ 202,236
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ 9,960	$ -	$ -	$ -	$ 54,784	$ 64,744
Empower Facilities	$ -	$ 108,748	$ 3,580	$ -	$ (5,143)	$ -	$ 107,185
Empower Intelligence	$ -	$ 89,477	$ 590	$ -	$ (36,120)	$ -	$ 53,947
Foodservice Equipment	$ -	$ 42,472	$ 12,150	$ 8,000	$ 2,600	$ 29,527	$ 94,749
HVAC+R	$ -	$ 361,569	$ 74,623	$ 15,124	$ 71,638	$ 1,115,796	$ 1,638,749
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ 10,061	$ -	$ -	$ -	$ 20,856	$ 30,917
Multi-Family Building Efficiency	$ -	$ 602,935	$ 8,000	$ -	$ 176,231	$ 72,675	$ 859,841
Non-Profit Energy Savings Program	$ -	$ 139,705	$ 65,000	$ -	$ -	$ 717,944	$ 922,649
Process & Commercial Efficiency	$ 19,955	$ 573,864	$ 9,479	$ 15,964	$ 9,978	$ 786,181	$ 1,415,421
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 19,955**	**$ 2,433,230**	**$ 211,145**	**$ 63,620**	**$ 284,114**	**$ 3,385,950**	**$ 6,398,014**
Affordable Efficient New Home Construction	$ -	$ 11,344	$ -	$ -	$ -	$ 186,869	$ 198,213
Home Energy Savings Program	$ -	$ 473,503	$ 94,560	$ 9,954	$ -	$ 2,331,972	$ 2,909,990
Low Income Home Energy Squad	$ -	$ 89,930	$ 235,000	$ -	$ -	$ 39,053	$ 363,983
Low Income Multi-Family Building Efficiency	$ -	$ 58,281	$ 21,482	$ -	$ 13,079	$ 69,937	$ 162,778
Workforce Development & Education	$ -	$ 329,708	$ 300	$ -	$ 105,000	$ -	$ 435,008
Income Qualified Segment Total	**$ -**	**$ 962,765**	**$ 351,342**	**$ 9,954**	**$ 118,079**	**$ 2,627,832**	**$ 4,069,972**
Commercial AC Control	$ -	$ 23,000	$ -	$ 5,000	$ -	$ 4,765	$ 32,765
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ 23,000**	**$ -**	**$ 5,000**	**$ -**	**$ 4,765**	**$ 32,765**
Efficient Fuel Switching Training & Support	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outdoor Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient Fuel Switching Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Advertising & Promotion	$ -	$ 366,002	$ 1,244,481	$ -	$ -	$ -	$ 1,610,483
Application Development & Maintenance	$ -	$ 712,737	$ -	$ -	$ -	$ -	$ 712,737
CIP Training	$ -	$ 146,397	$ -	$ -	$ -	$ -	$ 146,397
Community Energy Reporting	$ -	$ 13,625	$ -	$ -	$ -	$ -	$ 13,625
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ 31,427	$ -	$ -	$ -	$ -	$ 31,427
Partners in Energy	$ -	$ 338,004	$ 2,500	$ -	$ -	$ -	$ 340,504
Planning & Regulatory Affairs	$ -	$ 350,000	$ -	$ -	$ -	$ -	$ 350,000
Indirect Products & Services Total	$ -	$ 1,958,192	$ 1,246,981	$ -	$ -	$ -	**$ 3,205,173**
Market Research	$ -	$ 216,173	$ -	$ 309,406	$ -	$ -	$ 525,579
Product Development	$ -	$ 163,051	$ -	$ 25,000	$ 10,000	$ -	$ 198,051
Research, Evaluations & Pilots Total	**$ -**	**$ 379,224**	**$ -**	**$ 334,406**	**$ 10,000**	**$ -**	**$ 723,630**
Portfolio Total	**$ 352,598**	**$ 9,498,392**	**$ 3,120,214**	**$ 426,070**	**$ 448,730**	**$ 13,819,495**	**$ 27,665,499**
Minnesota Assessments	$ -	$ 294,738	$ -	$ -	$ -	$ -	$ 294,738
Minnesota Efficient Technology Accelerator	$ -	$ 602,088	$ -	$ -	$ -	$ -	$ 602,088
Assessments Segment Total	$ -	$ 896,826	$ -	$ -	$ -	$ -	$ 896,826
EnerChange	$ -	$ 61,256	$ -	$ -	$ -	$ -	$ 61,256
EnergySmart	$ -	$ 46,725	$ -	$ -	$ -	$ -	$ 46,725
One Stop Shop	$ -	$ 36,577	$ -	$ -	$ -	$ 62,522	$ 99,099
Trillion BTU	$ -	$ 21,877	$ -	$ -	$ -	$ -	$ 21,877
Alternative Filings Total	**$ -**	**$ 166,435**	**$ -**	**$ -**	**$ -**	**$ 62,522**	**$ 228,957**
2024 Gas Portfolio Total	**$ 352,598**	**$ 10,561,653**	**$ 3,120,214**	**$ 426,070**	**$ 448,730**	**$ 13,882,017**	**$ 28,791,282**

Table 23: Detailed Budget (EFS, Combined Fuels, 2024)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Efficient Showerheads	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Audit	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Insights	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 59,583	$ 9,960	$ 1,933	$ 5,250	$ 768,233	$ 844,958
School Education Kits	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Whole Home Efficiency	$ -	$ 2,867	$ -	$ -	$ -	$ 11,300	$ 14,167
Residential Segment Total	**$ -**	**$ 62,450**	**$ 9,960**	**$ 1,933**	**$ 5,250**	**$ 779,533**	**$ 859,126**
Business Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Energy Assessments	$ 20	$ 37,879	$ 2,978	$ 74	$ 7,663	$ 42,431	$ 91,046
Business New Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Compressed Air Efficiency	$ -	$ 1,315	$ -	$ -	$ -	$ 4,000	$ 5,315
Custom Efficiency	$ -	$ 12,489	$ -	$ 501	$ 200	$ 11,407	$ 24,597
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Intelligence	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Foodservice Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HVAC+R	$ -	$ 1,826	$ 377	$ 76	$ 362	$ 5,633	$ 8,275
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Multi-Family Building Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-Profit Energy Savings Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Process & Commercial Efficiency	$ 359	$ 11,253	$ 210	$ 162	$ 274	$ 27,765	$ 40,023
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 379**	**$ 64,763**	**$ 3,565**	**$ 813**	**$ 8,499**	**$ 91,237**	**$ 169,256**
Affordable Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Savings Program	$ -	$ 2,202	$ 440	$ 46	$ -	$ 10,786	$ 13,475
Low Income Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Low Income Multi-Family Building Efficiency	$ -	$ 74,655	$ 27,518	$ -	$ 16,753	$ 15,664	$ 134,589
Workforce Development & Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income Qualified Segment Total	**$ -**	**$ 76,857**	**$ 27,958**	**$ 46**	**$ 16,753**	**$ 26,450**	**$ 148,064**
Commercial AC Control	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Efficient Fuel Switching Training & Support	$ -	$ 600,000	$ 100,000	$ -	$ -	$ 1,000,000	$ 1,700,000
Outdoor Equipment	$ -	$ 50,000	$ 75,000	$ -	$ -	$ 61,250	$ 186,250
Efficient Fuel Switching Total	**$ -**	**$ 650,000**	**$ 175,000**	**$ -**	**$ -**	**$ 1,061,250**	**$ 1,886,250**
Advertising & Promotion	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Application Development & Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CIP Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Community Energy Reporting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Partners in Energy	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Planning & Regulatory Affairs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Indirect Products & Services Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Market Research	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product Development	$ -	$ 618,842	$ -	$ 22,000	$ 12,500	$ -	$ 653,342
Research, Evaluations & Pilots Total	**$ -**	**$ 618,842**	**$ -**	**$ 22,000**	**$ 12,500**	**$ -**	**$ 653,342**
Portfolio Total	**$ 379**	**$ 1,472,912**	**$ 216,482**	**$ 24,792**	**$ 43,002**	**$ 1,958,470**	**$ 3,716,038**
Minnesota Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Minnesota Efficient Technology Accelerator	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assessments Segment Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EnerChange	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EnergySmart	$ -	$ -	$ -	$ -	$ -	$ -	$ -
One Stop Shop	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Trillion BTU	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Alternative Filings Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
2024 EFS Portfolio Total	**$ 379**	**$ 1,472,912**	**$ 216,482**	**$ 24,792**	**$ 43,002**	**$ 1,958,470**	**$ 3,716,038**

Table 24: Detailed Budget (Electric, 2025)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$0	$207,375	$803,775	$0	$0	$0	$1,011,150
Efficient New Home Construction	$ -	$ 553,888	$ 120,000	$ -	$ -	$ 1,099,268	$ 1,773,156
Energy Efficient Showerheads	$ -	$ 94,095	$ 35,000	$ -	$ -	$ 23,034	$ 152,129
Home Energy Audit	$ -	$ 2,509,140	$ 71,295	$ -	$ -	$ -	$ 2,580,435
Home Energy Insights	$ -	$ 1,321,583	$ 20,000	$ -	$ -	$ -	$ 1,341,583
Home Energy Squad	$ 1,014,084	$ 835,049	$ 1,090,400	$ -	$ -	$ 756,359	$ 3,695,893
Home Lighting	$ -	$ 775,556	$ 640,000	$ -	$ -	$ 4,773,137	$ 6,188,693
Insulation Rebates	$ -	$ 41,852	$ 5,000	$ 2,000	$ -	$ 280,977	$ 329,829
Lamp Recycling	$ -	$ 314,829	$ -	$ -	$ -	$ -	$ 314,829
Refrigerator & Freezer Recycling	$ -	$ 1,061,689	$ 155,000	$ -	$ -	$ 355,000	$ 1,571,689
Residential Heating & Cooling	$ -	$ 550,275	$ 76,362	$ 31,415	$ 66,535	$ 9,824,168	$ 10,548,756
School Education Kits	$ -	$ 882,008	$ 5,000	$ -	$ -	$ 885,388	$ 1,772,397
Whole Home Efficiency	$ -	$ 9,641	$ -	$ -	$ -	$ 106,178	$ 115,819
Residential Segment Total	**$ 1,014,084**	**$ 9,156,980**	**$ 3,021,832**	**$ 33,415**	**$ 66,535**	**$ 18,103,510**	**$ 31,396,357**
Business Education	$ -	$ 88,200	$ 166,215	$ -	$ -	$ -	$ 254,415
Business Energy Assessments	$ 3,580	$ 1,650,788	$ 39,774	$ 974	$ 523,530	$ 3,033,230	$ 5,251,876
Business New Construction	$ -	$ 2,268,962	$ 15,164	$ 262,848	$ 485,258	$ 6,745,192	$ 9,777,425
Compressed Air Efficiency	$ -	$ 249,734	$ -	$ -	$ -	$ 845,033	$ 1,094,767
Custom Efficiency	$ -	$ 624,135	$ -	$ 24,407	$ 9,763	$ 551,637	$ 1,209,943
Data Center Efficiency	$ 3,225	$ 187,544	$ 86,430	$ 12,900	$ 25,800	$ 876,001	$ 1,191,899
Efficiency Controls	$ -	$ 194,230	$ -	$ -	$ -	$ 534,677	$ 728,907
Empower Facilities	$ -	$ 1,049,040	$ 32,220	$ -	$ (200,571)	$ -	$ 880,689
Empower Intelligence	$ -	$ 983,577	$ 6,490	$ -	$ (388,293)	$ -	$ 601,774
Foodservice Equipment	$ -	$ 26,749	$ 13,200	$ 2,500	$ 3,000	$ 16,929	$ 62,378
HVAC+R	$ -	$ 1,222,370	$ 158,000	$ 47,000	$ 255,000	$ 2,555,118	$ 4,237,488
Lighting Efficiency	$ -	$ 2,438,647	$ 325,000	$ 75,000	$ 25,000	$ 9,201,741	$ 12,065,388
Load Strategy Analysis	$ -	$ 366,262	$ -	$ -	$ -	$ 407,490	$ 773,752
Multi-Family Building Efficiency	$ -	$ 1,061,218	$ 12,000	$ -	$ 564,727	$ 903,355	$ 2,541,301
Non-Profit Energy Savings Program	$ -	$ 534,259	$ 138,000	$ -	$ -	$ 1,242,470	$ 1,914,729
Process & Commercial Efficiency	$ 99,648	$ 3,216,988	$ 59,789	$ 39,859	$ 79,719	$ 7,330,640	$ 10,826,644
Self-Direct	$ -	$ 44,525	$ -	$ -	$ -	$ 137,301	$ 181,826
Business Segment Total	**$ 106,453**	**$ 16,207,229**	**$ 1,052,282**	**$ 465,489**	**$ 1,382,932**	**$ 34,380,816**	**$ 53,595,201**
Affordable Efficient New Home Construction	$ -	$ 12,190	$ -	$ -	$ -	$ 402,500	$ 414,690
Home Energy Savings Program	$ -	$ 722,737	$ 320,000	$ 32,000	$ -	$ 2,218,484	$ 3,293,220
Low Income Home Energy Squad	$ -	$ 278,486	$ 700,000	$ -	$ -	$ 218,386	$ 1,196,872
Low Income Multi-Family Building Efficiency	$ -	$ 265,345	$ 86,000	$ -	$ 164,085	$ 2,304,328	$ 2,819,758
Workforce Development & Education	$ -	$ 2,590,481	$ 1,700	$ -	$ 680,000	$ -	$ 3,272,181
Income Qualified Segment Total	**$ -**	**$ 3,869,239**	**$ 1,107,700**	**$ 32,000**	**$ 844,085**	**$ 5,143,699**	**$ 10,996,722**
Commercial AC Control	$ -	$ 2,858,752	$ 200,000	$ 200,000	$ -	$ 491,756	$ 3,750,507
Critical Peak Pricing	$ 35,000	$ 236,500	$ 10,000	$ 25,000	$ -	$ -	$ 306,500
Electric Rate Savings	$ -	$ 734,947	$ 740	$ -	$ -	$ -	$ 735,687
Peak Partner Rewards	$ 52,000	$ 525,444	$ 25,000	$ 10,000	$ -	$ 853,490	$ 1,465,934
Residential Demand Response	$ -	$ 9,864,442	$ 744,488	$ 125,000	$ 25,000	$ 2,254,350	$ 13,013,280
Demand Response Segment Total	**$ 87,000**	**$ 14,220,084**	**$ 980,228**	**$ 360,000**	**$ 25,000**	**$ 3,599,596**	**$ 19,271,908**
Efficient Fuel Switching Training & Support	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outdoor Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient Fuel Switching Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Advertising & Promotion	$ -	$ 1,718,043	$ 6,099,353	$ -	$ -	$ -	$ 7,817,396
Application Development &	$ -	$ 3,853,415	$ -	$ -	$ 442,086	$ -	$ 4,295,501
CIP Training	$ -	$ 413,666	$ -	$ -	$ -	$ -	$ 413,666
Community Energy Reporting	$ -	$ 42,262	$ -	$ -	$ -	$ -	$ 42,262
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ 148,025	$ -	$ -	$ -	$ -	$ 148,025
Partners in Energy	$ -	$ 1,365,480	$ 11,600	$ -	$ -	$ -	$ 1,377,080
Planning & Regulatory Affairs	$ -	$ 931,500	$ -	$ -	$ -	$ -	$ 931,500
Indirect Products & Services Total	$ -	$ 8,472,390	$ 6,110,953	$ -	$ 442,086	$ -	$ 15,025,429
Market Research	$ -	$ 863,467	$ -	$ 1,470,078	$ -	$ -	$ 2,333,545
Product Development	$ -	$ 5,145,694	$ -	$ 150,000	$ 25,000	$ -	$ 5,320,694
Research, Evaluations & Pilots Total	**$ -**	**$ 6,009,161**	**$ -**	**$ 1,620,078**	**$ 25,000**	**$ -**	**$ 7,654,239**
Portfolio Total	**$ 1,207,537**	**$ 57,935,083**	**$ 12,272,995**	**$ 2,510,982**	**$ 2,785,638**	**$ 61,227,620**	**$ 137,939,856**
Minnesota Assessments	$ -	$ 1,932,291	$ -	$ -	$ -	$ -	$ 1,932,291
Minnesota Efficient Technology Accelerator	$ -	$ 5,493,115	$ -	$ -	$ -	$ -	$ 5,493,115
Assessments Segment Total	**$ -**	**$ 7,425,406**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 7,425,406**
EnerChange	$ -	$ 567,843	$ -	$ -	$ -	$ -	$ 567,843
EnergySmart	$ -	$ 672,735	$ -	$ -	$ -	$ -	$ 672,735
One Stop Shop	$ -	$ 5,683,660	$ -	$ -	$ -	$ 7,527,021	$ 13,210,681
Trillion BTU	$ -	$ 171,787	$ -	$ -	$ -	$ -	$ 171,787
Alternative Filings Total	$ -	$ 7,096,025	$ -	$ -	$ -	$ 7,527,021	**$ 14,623,046**
2025 Electric Portfolio Total	**$ 1,207,537**	**$ 72,456,514**	**$ 12,272,995**	**$ 2,510,982**	**$ 2,785,638**	**$ 68,754,641**	**$ 159,988,308**

Table 25: Detailed Budget (Natural Gas, 2025)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ 99,750	$ 574,350	$ -	$ -	$ -	$ 674,100
Efficient New Home Construction	$ -	$ 689,550	$ 280,000	$ -	$ -	$ 1,473,945	$ 2,443,495
Energy Efficient Showerheads	$ -	$ 140,379	$ 60,000	$ -	$ -	$ 53,853	$ 254,232
Home Energy Audit	$ -	$ 1,649,077	$ 58,065	$ -	$ -	$ -	$ 1,707,142
Home Energy Insights	$ -	$ 305,309	$ 10,000	$ -	$ -	$ -	$ 315,309
Home Energy Squad	$ 370,106	$ 271,713	$ 321,566	$ -	$ -	$ 167,756	$ 1,131,141
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ 42,281	$ 5,000	$ 2,000	$ -	$ 1,287,774	$ 1,337,055
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 369,267	$ 67,130	$ 10,859	$ 65,411	$ 4,885,702	$ 5,398,370
School Education Kits	$ -	$ 324,725	$ 2,500	$ -	$ -	$ 87,400	$ 414,624
Whole Home Efficiency	$ -	$ 35,632	$ -	$ -	$ -	$ 150,970	$ 186,602
Residential Segment Total	**$ 370,106**	**$ 3,927,683**	**$ 1,378,611**	**$ 12,859**	**$ 65,411**	**$ 8,107,400**	**$ 13,862,071**
Business Education	$ -	$ 13,000	$ 20,000	$ -	$ -	$ -	$ 33,000
Business Energy Assessments	$ -	$ 164,900	$ 19,368	$ 380	$ 31,836	$ 219,442	$ 435,924
Business New Construction	$ -	$ 264,383	$ 2,012	$ 33,540	$ 33,540	$ 369,024	$ 702,499
Compressed Air Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Custom Efficiency	$ -	$ 75,170	$ -	$ 3,000	$ 6,000	$ 120,008	$ 204,178
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ 10,325	$ -	$ -	$ -	$ 59,975	$ 70,300
Empower Facilities	$ -	$ 116,560	$ 3,580	$ -	$ (22,286)	$ -	$ 97,854
Empower Intelligence	$ -	$ 98,352	$ 6,149	$ -	$ (38,829)	$ -	$ 65,672
Foodservice Equipment	$ -	$ 43,935	$ 13,200	$ 9,500	$ 3,000	$ 26,022	$ 95,657
HVAC+R	$ -	$ 370,904	$ 83,942	$ 16,888	$ 74,504	$ 967,372	$ 1,513,609
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ 10,313	$ -	$ -	$ -	$ 20,856	$ 31,169
Multi-Family Building Efficiency	$ -	$ 632,379	$ 8,700	$ -	$ 240,649	$ 94,146	$ 975,874
Non-Profit Energy Savings Program	$ -	$ 239,882	$ 66,000	$ -	$ -	$ 767,482	$ 1,073,364
Process & Commercial Efficiency	$ 19,953	$ 587,080	$ 9,478	$ 15,963	$ 9,977	$ 756,573	$ 1,399,023
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 19,953**	**$ 2,627,184**	**$ 232,428**	**$ 79,270**	**$ 338,391**	**$ 3,400,899**	**$ 6,698,125**
Affordable Efficient New Home Construction	$ -	$ 11,461	$ -	$ -	$ -	$ 187,079	$ 198,540
Home Energy Savings Program	$ -	$ 603,383	$ 74,575	$ 9,943	$ -	$ 2,852,021	$ 3,539,922
Low Income Home Energy Squad	$ -	$ 94,639	$ 235,000	$ -	$ -	$ 48,996	$ 378,635
Low Income Multi-Family Building Efficiency	$ -	$ 72,358	$ 26,619	$ -	$ 15,839	$ 106,064	$ 220,880
Workforce Development & Education	$ -	$ 462,016	$ 300	$ -	$ 120,000	$ -	$ 582,316
Income Qualified Segment Total	**$ -**	**$ 1,243,857**	**$ 336,494**	**$ 9,943**	**$ 135,839**	**$ 3,194,161**	**$ 4,920,293**
Commercial AC Control	$ -	$ 25,000	$ -	$ 5,000	$ -	$ 8,140	$ 38,140
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ 25,000**	**$ -**	**$ 5,000**	**$ -**	**$ 8,140**	**$ 38,140**
Efficient Fuel Switching Training & Support	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outdoor Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient Fuel Switching Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Advertising & Promotion	$ -	$ 371,403	$ 1,343,929	$ -	$ -	$ -	$ 1,715,332
Application Development &	$ -	$ 774,219	$ -	$ -	$ -	$ -	$ 774,219
CIP Training	$ -	$ 167,856	$ -	$ -	$ -	$ -	$ 167,856
Community Energy Reporting	$ -	$ 14,093	$ -	$ -	$ -	$ -	$ 14,093
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ 40,832	$ -	$ -	$ -	$ -	$ 40,832
Partners in Energy	$ -	$ 350,379	$ 2,600	$ -	$ -	$ -	$ 352,979
Planning & Regulatory Affairs	$ -	$ 482,250	$ -	$ -	$ -	$ -	$ 482,250
Indirect Products & Services Total	**$ -**	**$ 2,201,033**	**$ 1,346,529**	**$ -**	**$ -**	**$ -**	**$ 3,547,562**
Market Research	$ -	$ 252,385	$ -	$ 298,451	$ -	$ -	$ 550,837
Product Development	$ -	$ 164,768	$ -	$ 25,000	$ 10,000	$ -	$ 199,768
Research, Evaluations & Pilots Total	**$ -**	**$ 417,153**	**$ -**	**$ 323,451**	**$ 10,000**	**$ -**	**$ 750,605**
Portfolio Total	**$ 390,060**	**$ 10,441,909**	**$ 3,294,062**	**$ 430,524**	**$ 549,640**	**$ 14,710,600**	**$ 29,816,796**
Minnesota Assessments	$ -	$ 294,738	$ -	$ -	$ -	$ -	$ 294,738
Minnesota Efficient Technology Accelerator	$ -	$ 1,119,468	$ -	$ -	$ -	$ -	$ 1,119,468
Assessments Segment Total	**$ -**	**$ 1,414,206**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,414,206**
EnerChange	$ -	$ 63,094	$ -	$ -	$ -	$ -	$ 63,094
EnergySmart	$ -	$ 50,085	$ -	$ -	$ -	$ -	$ 50,085
One Stop Shop	$ -	$ 36,577	$ -	$ -	$ -	$ 62,522	$ 99,099
Trillion BTU	$ -	$ 21,943	$ -	$ -	$ -	$ -	$ 21,943
Alternative Filings Total	**$ -**	**$ 171,699**	**$ -**	**$ -**	**$ -**	**$ 62,522**	**$ 234,221**
2025 Gas Portfolio Total	**$ 390,060**	**$ 12,027,814**	**$ 3,294,062**	**$ 430,524**	**$ 549,640**	**$ 14,773,122**	**$ 31,465,223**

Table 26: Detailed Budget (EFS, Combined Fuels, 2025)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Efficient Showerheads	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Audit	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Insights	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 117,305	$ 20,507	$ 3,976	$ 19,710	$ 1,546,566	$ 1,708,065
School Education Kits	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Whole Home Efficiency	$ -	$ 5,060	$ -	$ -	$ -	$ 21,500	$ 26,560
Residential Segment Total	**$ -**	**$ 122,365**	**$ 20,507**	**$ 3,976**	**$ 19,710**	**$ 1,568,066**	**$ 1,734,625**
Business Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Energy Assessments	$ 20	$ 57,351	$ 5,859	$ 116	$ 12,238	$ 76,130	$ 151,713
Business New Construction	$ -	$ 16,779	$ 128	$ 2,129	$ 2,129	$ 23,420	$ 44,584
Compressed Air Efficiency	$ -	$ 2,364	$ -	$ -	$ -	$ 8,000	$ 10,364
Custom Efficiency	$ -	$ 15,162	$ -	$ 593	$ 237	$ 15,905	$ 31,896
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Intelligence	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Foodservice Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HVAC+R	$ -	$ 2,468	$ 558	$ 112	$ 496	$ 6,433	$ 10,068
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Multi-Family Building Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-Profit Energy Savings Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Process & Commercial Efficiency	$ 398	$ 12,724	$ 233	$ 178	$ 305	$ 27,765	$ 41,604
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 419**	**$ 106,848**	**$ 6,778**	**$ 3,128**	**$ 15,404**	**$ 157,653**	**$ 290,229**
Affordable Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Savings Program	$ -	$ 3,439	$ 425	$ 57	$ -	$ 16,179	$ 20,100
Low Income Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Low Income Multi-Family Building Efficiency	$ -	$ 66,548	$ 24,481	$ -	$ 14,567	$ 15,729	$ 121,324
Workforce Development & Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income Qualified Segment Total	**$ -**	**$ 69,987**	**$ 24,906**	**$ 57**	**$ 14,567**	**$ 31,908**	**$ 141,425**
Commercial AC Control	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Efficient Fuel Switching Training & Support	$ -	$ 630,000	$ 100,000	$ -	$ -	$ 1,200,000	$ 1,930,000
Outdoor Equipment	$ -	$ 40,000	$ 60,000	$ -	$ -	$ 61,250	$ 161,250
Efficient Fuel Switching Total	**$ -**	**$ 670,000**	**$ 160,000**	**$ -**	**$ -**	**$ 1,261,250**	**$ 2,091,250**
Advertising & Promotion	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Application Development &	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CIP Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Community Energy Reporting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Partners in Energy	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Planning & Regulatory Affairs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Indirect Products & Services Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Market Research	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product Development	$ -	$ 629,337	$ -	$ 22,000	$ 12,500	$ -	$ 663,837
Research, Evaluations & Pilots Total	**$ -**	**$ 629,337**	**$ -**	**$ 22,000**	**$ 12,500**	**$ -**	**$ 663,837**
Portfolio Total	**$ 419**	**$ 1,598,537**	**$ 212,192**	**$ 29,160**	**$ 62,181**	**$ 3,018,878**	**$ 4,921,366**
Minnesota Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Minnesota Efficient Technology Accelerator	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assessments Segment Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EnerChange	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EnergySmart	$ -	$ -	$ -	$ -	$ -	$ -	$ -
One Stop Shop	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Trillion BTU	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Alternative Filings Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
2025 EFS Portfolio Total	**$ 419**	**$ 1,598,537**	**$ 212,192**	**$ 29,160**	**$ 62,181**	**$ 3,018,878**	**$ 4,921,366**

Table 27: Detailed Budget (Electric, 2026)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$0	$217,744	$843,964	$0	$0	$0	$1,061,708
Efficient New Home Construction	$ -	$ 559,622	$ 120,000	$ -	$ -	$ 1,260,352	$ 1,939,974
Energy Efficient Showerheads	$ -	$ 100,158	$ 35,000	$ -	$ -	$ 25,134	$ 160,292
Home Energy Audit	$ -	$ 2,834,235	$ 74,860	$ -	$ -	$ -	$ 2,909,095
Home Energy Insights	$ -	$ 1,342,227	$ 20,000	$ -	$ -	$ -	$ 1,362,227
Home Energy Squad	$ 1,253,820	$ 931,410	$ 1,173,940	$ -	$ -	$ 693,967	$ 4,053,136
Home Lighting	$ -	$ 796,703	$ 640,000	$ -	$ -	$ 4,764,301	$ 6,201,004
Insulation Rebates	$ -	$ 42,800	$ 5,000	$ 2,000	$ -	$ 303,937	$ 353,737
Lamp Recycling	$ -	$ 302,681	$ -	$ -	$ -	$ -	$ 302,681
Refrigerator & Freezer Recycling	$ -	$ 1,090,175	$ 160,000	$ -	$ -	$ 360,000	$ 1,610,175
Residential Heating & Cooling	$ -	$ 563,712	$ 81,867	$ 33,641	$ 129,544	$ 10,535,240	$ 11,344,004
School Education Kits	$ -	$ 942,330	$ 5,000	$ -	$ -	$ 895,697	$ 1,843,027
Whole Home Efficiency	$ -	$ 10,362	$ -	$ -	$ -	$ 144,384	$ 154,746
Residential Segment Total	**$ 1,253,820**	**$ 9,734,159**	**$ 3,159,631**	**$ 35,641**	**$ 129,544**	**$ 18,983,012**	**$ 33,295,807**
Business Education	$ -	$ 92,750	$ 175,000	$ -	$ -	$ -	$ 267,750
Business Energy Assessments	$ 3,569	$ 1,707,926	$ 39,657	$ 972	$ 571,295	$ 2,981,892	$ 5,305,310
Business New Construction	$ -	$ 2,358,550	$ 15,786	$ 273,618	$ 505,140	$ 7,186,367	$ 10,339,461
Compressed Air Efficiency	$ -	$ 258,604	$ -	$ -	$ -	$ 893,070	$ 1,151,675
Custom Efficiency	$ -	$ 638,938	$ -	$ 24,366	$ 9,746	$ 586,582	$ 1,259,632
Data Center Efficiency	$ 2,500	$ 162,553	$ 67,000	$ 10,000	$ 20,000	$ 634,037	$ 896,090
Efficiency Controls	$ -	$ 197,030	$ -	$ -	$ -	$ 621,220	$ 818,250
Empower Facilities	$ -	$ 989,978	$ 32,220	$ -	$ (476,357)	$ -	$ 545,840
Empower Intelligence	$ -	$ 1,081,210	$ 7,139	$ -	$ (417,415)	$ -	$ 670,933
Foodservice Equipment	$ -	$ 27,671	$ 14,150	$ 2,500	$ 3,800	$ 16,115	$ 64,236
HVAC+R	$ -	$ 1,281,951	$ 167,000	$ 51,000	$ 260,000	$ 2,555,873	$ 4,315,824
Lighting Efficiency	$ -	$ 2,579,233	$ 325,000	$ 75,000	$ 25,000	$ 9,201,741	$ 12,205,974
Load Strategy Analysis	$ -	$ 379,002	$ -	$ -	$ -	$ 401,242	$ 780,244
Multi-Family Building Efficiency	$ -	$ 1,112,761	$ 12,000	$ -	$ 618,637	$ 1,031,571	$ 2,774,969
Non-Profit Energy Savings Program	$ -	$ 534,427	$ 142,000	$ -	$ -	$ 1,345,949	$ 2,022,376
Process & Commercial Efficiency	$ 99,630	$ 3,274,836	$ 59,778	$ 39,852	$ 79,704	$ 6,961,335	$ 10,515,135
Self-Direct	$ -	$ 47,997	$ -	$ -	$ -	$ 137,301	$ 185,298
Business Segment Total	**$ 105,699**	**$ 16,725,417**	**$ 1,056,729**	**$ 477,307**	**$ 1,199,550**	**$ 34,554,296**	**$ 54,118,999**
Affordable Efficient New Home Construction	$ -	$ 12,337	$ -	$ -	$ -	$ 401,406	$ 413,743
Home Energy Savings Program	$ -	$ 759,705	$ 320,000	$ 33,000	$ -	$ 2,685,730	$ 3,798,435
Low Income Home Energy Squad	$ -	$ 284,133	$ 700,000	$ -	$ -	$ 272,654	$ 1,256,787
Low Income Multi-Family Building Efficiency	$ -	$ 276,636	$ 86,000	$ -	$ 191,770	$ 2,710,746	$ 3,265,152
Workforce Development & Education	$ -	$ 2,848,854	$ 1,700	$ -	$ 765,000	$ -	$ 3,615,554
Income Qualified Segment Total	**$ -**	**$ 4,181,665**	**$ 1,107,700**	**$ 33,000**	**$ 956,770**	**$ 6,070,536**	**$ 12,349,670**
Commercial AC Control	$ -	$ 2,922,630	$ 200,000	$ 200,000	$ -	$ 666,368	$ 3,988,997
Critical Peak Pricing	$ 35,000	$ 237,000	$ 10,000	$ 25,000	$ -	$ -	$ 307,000
Electric Rate Savings	$ -	$ 706,630	$ 630	$ -	$ -	$ -	$ 707,260
Peak Partner Rewards	$ 62,000	$ 543,889	$ 25,000	$ 10,000	$ -	$ 926,100	$ 1,566,989
Residential Demand Response	$ -	$ 10,228,072	$ 744,488	$ 125,000	$ 25,000	$ 2,307,225	$ 13,429,785
Demand Response Segment Total	**$ 97,000**	**$ 14,638,221**	**$ 980,118**	**$ 360,000**	**$ 25,000**	**$ 3,899,693**	**$ 20,000,031**
Efficient Fuel Switching Training & Support	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outdoor Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient Fuel Switching Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Advertising & Promotion	$ -	$ 1,740,145	$ 6,730,238	$ -	$ -	$ -	$ 8,470,383
Application Development &	$ -	$ 4,362,657	$ -	$ -	$ -	$ -	$ 4,362,657
CIP Training	$ -	$ 478,064	$ -	$ -	$ -	$ -	$ 478,064
Community Energy Reporting	$ -	$ 43,714	$ -	$ -	$ -	$ -	$ 43,714
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ 174,396	$ -	$ -	$ -	$ -	$ 174,396
Partners in Energy	$ -	$ 1,410,877	$ 11,700	$ -	$ -	$ -	$ 1,422,577
Planning & Regulatory Affairs	$ -	$ 964,103	$ -	$ -	$ -	$ -	$ 964,103
Indirect Products & Services Total	**$ -**	**$ 9,173,955**	**$ 6,741,938**	**$ -**	**$ -**	**$ -**	**$ 15,915,893**
Market Research	$ -	$ 917,986	$ -	$ 1,551,207	$ -	$ -	$ 2,469,193
Product Development	$ -	$ 5,235,319	$ -	$ 150,000	$ 25,000	$ -	$ 5,410,319
Research, Evaluations & Pilots Total	**$ -**	**$ 6,153,305**	**$ -**	**$ 1,701,207**	**$ 25,000**	**$ -**	**$ 7,879,512**
Portfolio Total	**$ 1,456,519**	**$ 60,606,720**	**$ 13,046,116**	**$ 2,607,155**	**$ 2,335,864**	**$ 63,507,537**	**$ 143,559,913**
Minnesota Assessments	$ -	$ 1,932,291	$ -	$ -	$ -	$ -	$ 1,932,291
Minnesota Efficient Technology Accelerator	$ -	$ 5,690,186	$ -	$ -	$ -	$ -	$ 5,690,186
Assessments Segment Total	**$ -**	**$ 7,622,477**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 7,622,477**
EnerChange	$ -	$ 584,878	$ -	$ -	$ -	$ -	$ 584,878
EnergySmart	$ -	$ 714,525	$ -	$ -	$ -	$ -	$ 714,525
One Stop Shop	$ -	$ 5,705,880	$ -	$ -	$ -	$ 7,562,441	$ 13,268,321
Trillion BTU	$ -	$ 171,850	$ -	$ -	$ -	$ -	$ 171,850
Alternative Filings Total	$ -	$ 7,177,133	$ -	$ -	$ -	$ 7,562,441	**$ 14,739,574**
2026 Electric Portfolio Total	**$ 1,456,519**	**$ 75,406,330**	**$ 13,046,116**	**$ 2,607,155**	**$ 2,335,864**	**$ 71,069,978**	**$ 165,921,964**

Table 28: Detailed Budget (Natural Gas, 2026)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ 104,737	$ 603,067	$ -	$ -	$ -	$ 707,804
Efficient New Home Construction	$ -	$ 691,197	$ 280,000	$ -	$ -	$ 1,660,933	$ 2,632,130
Energy Efficient Showerheads	$ -	$ 145,448	$ 60,000	$ -	$ -	$ 59,238	$ 264,686
Home Energy Audit	$ -	$ 1,863,853	$ 60,969	$ -	$ -	$ -	$ 1,924,822
Home Energy Insights	$ -	$ 292,989	$ 10,000	$ -	$ -	$ -	$ 302,989
Home Energy Squad	$ 408,564	$ 296,519	$ 348,730	$ -	$ -	$ 182,760	$ 1,236,574
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ 43,244	$ 5,000	$ 2,000	$ -	$ 1,420,691	$ 1,470,935
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 311,937	$ 59,533	$ 9,500	$ 104,852	$ 4,888,297	$ 5,374,118
School Education Kits	$ -	$ 339,930	$ 2,500	$ -	$ -	$ 89,009	$ 431,439
Whole Home Efficiency	$ -	$ 36,740	$ -	$ -	$ -	$ 166,185	$ 202,925
Residential Segment Total	**$ 408,564**	**$ 4,126,595**	**$ 1,429,799**	**$ 11,500**	**$ 104,852**	**$ 8,467,113**	**$ 14,548,423**
Business Education	$ -	$ 14,050	$ 21,000	$ -	$ -	$ -	$ 35,050
Business Energy Assessments	$ -	$ 153,205	$ 18,323	$ 359	$ 32,507	$ 239,529	$ 443,922
Business New Construction	$ -	$ 249,762	$ 1,903	$ 31,721	$ 31,721	$ 380,077	$ 695,185
Compressed Air Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Custom Efficiency	$ -	$ 77,180	$ -	$ 3,000	$ 6,000	$ 120,008	$ 206,188
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ 10,485	$ -	$ -	$ -	$ 65,620	$ 76,105
Empower Facilities	$ -	$ 109,998	$ 3,580	$ -	$ (52,929)	$ -	$ 60,649
Empower Intelligence	$ -	$ 108,117	$ 6,764	$ -	$ (41,742)	$ -	$ 73,140
Foodservice Equipment	$ -	$ 45,451	$ 14,150	$ 10,200	$ 3,800	$ 24,605	$ 98,206
HVAC+R	$ -	$ 466,910	$ 91,190	$ 19,824	$ 76,322	$ 814,511	$ 1,468,757
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ 10,565	$ -	$ -	$ -	$ 27,104	$ 37,669
Multi-Family Building Efficiency	$ -	$ 663,269	$ 9,000	$ -	$ 270,898	$ 111,701	$ 1,054,868
Non-Profit Energy Savings Program	$ -	$ 245,064	$ 68,000	$ -	$ -	$ 820,567	$ 1,133,631
Process & Commercial Efficiency	$ 19,953	$ 600,811	$ 9,478	$ 15,963	$ 9,977	$ 756,573	$ 1,412,754
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 19,953**	**$ 2,754,866**	**$ 243,387**	**$ 81,067**	**$ 336,554**	**$ 3,360,297**	**$ 6,796,124**
Affordable Efficient New Home Construction	$ -	$ 11,582	$ -	$ -	$ -	$ 188,082	$ 199,664
Home Energy Savings Program	$ -	$ 629,576	$ 84,543	$ 9,946	$ -	$ 4,005,419	$ 4,729,485
Low Income Home Energy Squad	$ -	$ 100,167	$ 235,000	$ -	$ -	$ 61,574	$ 396,741
Low Income Multi-Family Building Efficiency	$ -	$ 17,514	$ 6,274	$ -	$ 3,686	$ 129,107	$ 156,582
Workforce Development & Education	$ -	$ 507,782	$ 300	$ -	$ 135,000	$ -	$ 643,082
Income Qualified Segment Total	**$ -**	**$ 1,266,621**	**$ 326,117**	**$ 9,946**	**$ 138,686**	**$ 4,384,183**	**$ 6,125,554**
Commercial AC Control	$ -	$ 28,000	$ -	$ 5,000	$ -	$ 8,307	$ 41,307
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ 28,000**	**$ -**	**$ 5,000**	**$ -**	**$ 8,307**	**$ 41,307**
Efficient Fuel Switching Training & Support	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outdoor Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient Fuel Switching Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Advertising & Promotion	$ -	$ 377,242	$ 1,450,771	$ -	$ -	$ -	$ 1,828,013
Application Development &	$ -	$ 785,777	$ -	$ -	$ -	$ -	$ 785,777
CIP Training	$ -	$ 193,333	$ -	$ -	$ -	$ -	$ 193,333
Community Energy Reporting	$ -	$ 14,578	$ -	$ -	$ -	$ -	$ 14,578
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ 51,759	$ -	$ -	$ -	$ -	$ 51,759
Partners in Energy	$ -	$ 363,054	$ 2,700	$ -	$ -	$ -	$ 365,754
Planning & Regulatory Affairs	$ -	$ 499,129	$ -	$ -	$ -	$ -	$ 499,129
Indirect Products & Services Total	**$ -**	**$ 2,284,872**	**$ 1,453,471**	**$ -**	**$ -**	**$ -**	**$ 3,738,343**
Market Research	$ -	$ 266,623	$ -	$ 307,925	$ -	$ -	$ 574,548
Product Development	$ -	$ 166,545	$ -	$ 25,000	$ 10,000	$ -	$ 201,545
Research, Evaluations & Pilots Total	**$ -**	**$ 433,168**	**$ -**	**$ 332,925**	**$ 10,000**	**$ -**	**$ 776,093**
Portfolio Total	**$ 428,518**	**$ 10,894,122**	**$ 3,452,774**	**$ 440,438**	**$ 590,092**	**$ 16,219,900**	**$ 32,025,844**
Minnesota Assessments	$ -	$ 294,738	$ -	$ -	$ -	$ -	$ 294,738
Minnesota Efficient Technology Accelerator	$ -	$ 1,191,107	$ -	$ -	$ -	$ -	$ 1,191,107
Assessments Segment Total	**$ -**	**$ 1,485,845**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,485,845**
EnerChange	$ -	$ 64,986	$ -	$ -	$ -	$ -	$ 64,986
EnergySmart	$ -	$ 52,395	$ -	$ -	$ -	$ -	$ 52,395
One Stop Shop	$ -	$ 36,577	$ -	$ -	$ -	$ 62,522	$ 99,099
Trillion BTU	$ -	$ 22,011	$ -	$ -	$ -	$ -	$ 22,011
Alternative Filings Total	**$ -**	**$ 175,969**	**$ -**	**$ -**	**$ -**	**$ 62,522**	**$ 238,491**
2026 Gas Portfolio Total	**$ 428,518**	**$ 12,555,936**	**$ 3,452,774**	**$ 440,438**	**$ 590,092**	**$ 16,282,422**	**$ 33,750,180**

Table 29: Detailed Budget (EFS, Combined Fuels, 2026)

Program	Customer Services	Utility Administration	Advertising & Promotion	Measurement & Verification	Other	Incentives	Total Budget
Consumer Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Efficient Showerheads	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Audit	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Insights	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Insulation Rebates	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Lamp Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Refrigerator & Freezer Recycling	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Heating & Cooling	$ -	$ 215,945	$ 39,600	$ 7,609	$ 68,828	$ 3,092,233	$ 3,424,215
School Education Kits	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Whole Home Efficiency	$ -	$ 7,176	$ -	$ -	$ -	$ 32,600	$ 39,776
Residential Segment Total	**$ -**	**$ 223,120**	**$ 39,600**	**$ 7,609**	**$ 68,828**	**$ 3,124,833**	**$ 3,463,990**
Business Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Energy Assessments	$ 31	$ 70,618	$ 7,021	$ 139	$ 16,792	$ 103,842	$ 198,443
Business New Construction	$ -	$ 41,514	$ 316	$ 5,273	$ 5,273	$ 63,174	$ 115,549
Compressed Air Efficiency	$ -	$ 2,317	$ -	$ -	$ -	$ 8,000	$ 10,317
Custom Efficiency	$ -	$ 16,620	$ -	$ 634	$ 254	$ 19,437	$ 36,945
Data Center Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Efficiency Controls	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Empower Intelligence	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Foodservice Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HVAC+R	$ -	$ 4,149	$ 810	$ 176	$ 678	$ 7,233	$ 13,047
Lighting Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Load Strategy Analysis	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Multi-Family Building Efficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-Profit Energy Savings Program	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Process & Commercial Efficiency	$ 417	$ 13,569	$ 244	$ 185	$ 319	$ 27,765	$ 42,500
Self-Direct	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Business Segment Total	**$ 448**	**$ 148,787**	**$ 8,391**	**$ 6,407**	**$ 23,316**	**$ 229,452**	**$ 416,801**
Affordable Efficient New Home Construction	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Energy Savings Program	$ -	$ 3,402	$ 457	$ 54	$ -	$ 21,572	$ 25,485
Low Income Home Energy Squad	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Low Income Multi-Family Building Efficiency	$ -	$ 127,655	$ 45,726	$ -	$ 26,869	$ 31,423	$ 231,673
Workforce Development & Education	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Income Qualified Segment Total	**$ -**	**$ 131,057**	**$ 46,183**	**$ 54**	**$ 26,869**	**$ 52,995**	**$ 257,158**
Commercial AC Control	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Critical Peak Pricing	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Rate Savings	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Peak Partner Rewards	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Residential Demand Response	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Demand Response Segment Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Efficient Fuel Switching Training & Support	$ -	$ 660,000	$ 100,000	$ -	$ -	$ 1,400,000	$ 2,160,000
Outdoor Equipment	$ -	$ 40,000	$ 50,000	$ -	$ -	$ 61,250	$ 151,250
Efficient Fuel Switching Total	**$ -**	**$ 700,000**	**$ 150,000**	**$ -**	**$ -**	**$ 1,461,250**	**$ 2,311,250**
Advertising & Promotion	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Application Development &	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CIP Training	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Community Energy Reporting	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Electric Utility Infrastructure	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Energy Benchmarking	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Partners in Energy	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Planning & Regulatory Affairs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Indirect Products & Services Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Market Research	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Product Development	$ -	$ 640,077	$ -	$ 22,000	$ 12,500	$ -	$ 674,577
Research, Evaluations & Pilots Total	**$ -**	**$ 640,077**	**$ -**	**$ 22,000**	**$ 12,500**	**$ -**	**$ 674,577**
Portfolio Total	**$ 448**	**$ 1,843,041**	**$ 244,175**	**$ 36,070**	**$ 131,512**	**$ 4,868,531**	**$ 7,123,776**
Minnesota Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Minnesota Efficient Technology Accelerator	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Assessments Segment Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
EnerChange	$ -	$ -	$ -	$ -	$ -	$ -	$ -
EnergySmart	$ -	$ -	$ -	$ -	$ -	$ -	$ -
One Stop Shop	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Trillion BTU	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Alternative Filings Total	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
2026 EFS Portfolio Total	**$ 448**	**$ 1,843,041**	**$ 244,175**	**$ 36,070**	**$ 131,512**	**$ 4,868,531**	**$ 7,123,776**

H. A description of the utility's ratemaking treatment and cost-recovery method;

The ratemaking and cost-recovery procedures for this Plan follow those currently approved by the Public Utilities Commission.

I. An estimate of participation in each project;

Estimate participation can be found in the program information sheets (Attachment B) and in the Executive Summaries.

J. An explanation of how the proposed projects provide for the involvement of community energy organizations, when appropriate;

Please see individual program descriptions with the detailed program summaries.

K. An outline of the proposed plan for evaluating the effectiveness of each proposed project;

Please see program descriptions as well as the Research, Evaluations, and Pilots Segment for a schedule of planned program evaluations. The Measurement and Verification policy is included within this segment.

L. For each renewable energy project, an estimate of the net energy and capacity to be produced by each project and the projected reliability of the technology that would be used; and

There are no planned or proposed renewable energy projects for the Company's ECO portfolio in 2021-2023.

M. Additional information that the Department determines is necessary as a result of its review or evaluation of previous projects of the particular utility.

The Company previewed proposed changes with the Department on May 1, 2023. In addition, a stakeholder meeting for interested parties was conducted virtually on May 15, 2023.

Information Required by Minnesota Rules 7690.1200

Minnesota Rules 7690.1200 lists the information which must be considered in determining whether a proposed program will result in reasonable investments in and expenditures for energy conservation improvements. The information required is listed here and summarized where not provided earlier in this section.

A. Compliance with statutory spending requirement;

See spending details above in the Compliance Section.

B. Impact of the program on energy consumption and peak demand;

Proposed targets including energy consumption and peak demand can be found in the attached program information sheets (Attachment B) and in the Executive Summary Tables found in the Executive Summary of this Plan.

C. The cost-effectiveness of the program, as calculated from the utility, ratepayer, participant, and societal perspectives;

Tables 30a -32c show the cost-effectiveness for each individual program, segment and overall ECO portfolio. We have additionally included the Minnesota Test as required by the Deputy Commissioner's Decision on *Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities* issued on March 31, 2023.

Table 30a. Program Benefits/Cost Ratios, 2024 Electric

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	5.06	2.37	0.41	1.63	3.13
Energy Efficient Showerheads	132.30	3.33	0.31	9.25	4.22
Home Energy Insights	-	3.59	0.39	4.58	4.58
Home Energy Squad	14.31	1.75	0.33	1.92	2.34
Home Lighting	12.38	4.35	0.36	3.05	5.84
Insulation Rebates	0.72	1.65	0.73	0.67	1.99
Refrigerator & Freezer Recycling	24.14	1.66	0.31	1.90	2.09
Residential Heating & Cooling	2.33	2.85	1.04	1.91	3.43
School Education Kits	17.90	3.11	0.45	3.44	3.96
Whole Home Efficiency	3.11	2.37	0.36	1.16	3.10
Residential Segment Total	**7.70**	**2.79**	**0.45**	**2.25**	**3.59**
Business Energy Assessments	4.66	3.47	0.48	2.03	4.52
Business New Construction	4.07	3.97	0.53	2.14	5.23
Compressed Air Efficiency	7.73	4.03	0.47	2.91	5.38
Custom Efficiency	5.14	3.19	0.46	4.27	4.21
Data Center Efficiency	4.01	4.71	0.42	1.93	6.38
Efficiency Controls	3.56	4.23	0.37	1.61	5.71
Empower Intelligence	5.24	1.19	0.28	0.98	1.58
Foodservice Equipment	9.87	2.87	0.47	3.17	3.76
HVAC+R	5.37	4.56	0.52	2.52	5.90
Lighting Efficiency	5.16	4.84	0.52	2.55	6.38
Load Strategy Analysis	6.90	3.86	0.41	2.53	5.15
Multi-Family Building Efficiency	10.02	0.58	0.25	0.97	0.74
Non-Profit Energy Savings Program	22.32	2.92	0.32	3.11	3.96
Process & Commercial Efficiency	5.91	5.52	0.53	3.06	7.22
Self-Direct	3.23	3.82	0.50	1.71	4.90
Business Segment Total	**5.21**	**4.32**	**0.50**	**2.58**	**5.68**
Affordable Efficient New Home Con.	-	0.04	0.04	1.00	0.05
Home Energy Savings Program	2.40	0.32	0.18	0.64	0.41
Low Income Home Energy Squad	23.94	1.07	0.29	1.43	1.43
Low Income MFBE	3.35	0.53	0.24	0.89	0.67
Income Qualified Segment Total	**3.99**	**0.37**	**0.20**	**0.69**	**0.48**
Commercial AC Control	10.08	1.75	0.91	1.88	1.96
Critical Peak Pricing	-	11.26	10.48	11.27	11.27
Electric Rate Savings	-	6.13	1.60	6.37	6.37
Peak Partner Rewards	-	1.56	1.53	2.14	1.56
Residential Demand Response	71.14	2.07	1.42	2.44	2.30
Demand Response Segment Total	**33.24**	**2.25**	**1.40**	**2.58**	**2.46**
Portfolio Total	**5.72**	**2.94**	**0.50**	**2.27**	**3.79**

Table 30b. Program Benefits/Cost Ratios, 2024 Natural Gas

Program Name	Participant Test	Utility Test	Gas Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	1.77	1.43	0.49	1.42	2.76
Energy Efficient Showerheads	66.79	2.37	0.57	16.37	4.29
Home Energy Insights	-	2.81	0.59	1.33	4.77
Home Energy Squad	13.63	1.56	0.51	1.26	2.82
Insulation Rebates	1.14	1.66	0.52	1.20	3.12
Residential Heating & Cooling	1.95	2.67	0.59	1.37	5.08
School Education Kits	101.82	4.88	0.65	4.97	8.83
Whole Home Efficiency	2.32	1.54	0.51	1.96	2.94
Residential Segment Total	**2.47**	**1.96**	**0.55**	**1.26**	**3.69**
Business Energy Assessments	5.84	4.18	0.69	1.16	7.97
Business New Construction	1.63	5.45	0.71	0.58	10.50
Custom Efficiency	7.31	5.85	0.72	3.10	11.23
Efficiency Controls	1.20	5.05	0.70	0.78	9.29
Empower Intelligence	927.69	0.04	0.04	0.01	0.07
Foodservice Equipment	3.62	3.02	0.64	3.26	5.56
HVAC+R	3.64	3.66	0.67	2.10	6.94
Load Strategy Analysis	2.52	6.36	0.73	0.69	11.82
Multi-Family Building Efficiency	9.11	2.70	0.63	2.06	5.20
Non-Profit Energy Savings Program	46.81	6.24	0.68	15.04	11.42
Process & Commercial Efficiency	3.50	5.49	0.71	1.53	10.24
Business Segment Total	**5.94**	**4.62**	**0.69**	**1.64**	**8.68**
Affordable Efficient New Home Construction	-	0.21	0.16	0.64	0.41
Home Energy Savings Program	1.44	0.23	0.18	0.69	0.44
Low Income Home Energy Squad	18.75	0.90	0.41	0.78	1.63
Low Income Multi-Family Building Efficiency	6.81	5.09	0.70	0.96	9.80
Income Qualified Segment Total	**2.32**	**0.54**	**0.32**	**0.61**	**1.02**
Commercial AC Control	8.39	0.95	0.44	0.02	1.71
Demand Response Segment Total	**8.39**	**0.95**	**0.44**	**0.00**	**1.71**
Portfolio Total	**3.74**	**2.26**	**0.58**	**1.10**	**4.25**

Table 30c. Program Benefits/Cost Ratios, 2024 Efficient Fuel Switching

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Gas Rate Impact Test	Societal Test	Minnesota Test
Residential Heating & Cooling	0.83	0.70	1.94	0.52	0.91	1.12
Whole Home Efficiency	0.40	0.57	2.35	0.56	0.55	0.84
Residential Segment Total	**0.81**	**0.70**	**1.96**	**0.52**	**0.90**	**1.11**
Business Energy Assessments	0.56	0.98	1.97	0.60	0.81	1.63
Compressed Air Efficiency	1.49	-	1.29	-	1.87	2.27
Custom Efficiency	1.60	0.28	0.64	0.72	1.40	2.01
HVAC+R	0.24	0.63	1.85	0.72	0.41	0.89
Process & Commercial Efficiency	1.13	0.37	0.45	0.69	0.83	0.68
Business Segment Total	**0.54**	**0.68**	**1.52**	**0.64**	**0.75**	**1.35**
Home Energy Savings Program	0.49	0.21	2.28	0.27	0.50	0.33
Low Income Multi-Family Building Efficiency	1.27	0.03	2.25	0.03	0.15	0.05
Income Qualified Segment Total	**0.72**	**0.06**	**2.28**	**0.06**	**0.23**	**0.10**
Efficient Fuel Switching Training & Support	-	-	-	-	0.59	-
Outdoor Equipment	3.27	-	0.25	-	1.67	2.02
Efficient Fuel Switching Total	**10.59**	**-**	**0.03**	**-**	**0.75**	**0.23**
Portfolio Total	**1.04**	**0.31**	**0.69**	**0.49**	**0.74**	**0.65**

Table 31a. Program Benefits/Cost Ratios, 2025 Electric

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	5.07	2.51	0.42	1.67	3.28
Energy Efficient Showerheads	134.71	3.53	0.31	9.56	4.37
Home Energy Insights	-	4.52	0.47	5.25	5.25
Home Energy Squad	13.39	1.50	0.32	1.68	1.98
Home Lighting	12.46	4.63	0.36	3.11	6.11
Insulation Rebates	0.71	1.71	0.75	0.67	2.05
Refrigerator & Freezer Recycling	24.55	1.69	0.31	1.88	2.06
Residential Heating & Cooling	2.02	2.81	1.02	1.73	3.37
School Education Kits	18.18	3.11	0.45	3.42	3.91
Whole Home Efficiency	2.92	2.48	0.35	1.08	3.19
Residential Segment Total	**7.08**	**2.82**	**0.46**	**2.16**	**3.56**
Business Energy Assessments	4.66	3.99	0.49	2.12	5.11
Business New Construction	4.61	4.30	0.54	2.35	5.62
Compressed Air Efficiency	8.22	4.35	0.48	3.07	5.72
Custom Efficiency	5.13	3.27	0.47	4.26	4.25
Data Center Efficiency	3.99	4.77	0.42	1.92	6.36
Efficiency Controls	3.68	4.60	0.38	1.68	6.06
Empower Intelligence	5.25	1.17	0.29	0.94	1.50
Foodservice Equipment	10.23	2.69	0.46	3.06	3.47
HVAC+R	5.46	4.56	0.52	2.52	5.82
Lighting Efficiency	5.24	4.91	0.52	2.56	6.38
Load Strategy Analysis	7.01	3.86	0.42	2.52	5.06
Multi-Family Building Efficiency	9.99	0.65	0.27	1.03	0.82
Non-Profit Energy Savings Program	21.54	2.87	0.33	3.01	3.84
Process & Commercial Efficiency	6.10	5.46	0.53	3.06	7.04
Self-Direct	3.29	3.85	0.50	1.71	4.87
Business Segment Total	**5.40**	**4.40**	**0.50**	**2.62**	**5.71**
Affordable Efficient New Home Con.	-	0.04	0.04	1.00	0.05
Home Energy Savings Program	2.40	0.34	0.19	0.67	0.43
Low Income Home Energy Squad	24.35	1.28	0.31	1.66	1.69
Low Income MFBE	3.35	0.55	0.25	0.90	0.70
Income Qualified Segment Total	**4.00**	**0.39**	**0.21**	**0.70**	**0.51**
Commercial AC Control	7.51	1.73	0.94	1.82	1.93
Critical Peak Pricing	-	13.46	12.35	13.46	13.46
Electric Rate Savings	-	5.40	1.56	5.61	5.61
Peak Partner Rewards	-	1.65	1.62	2.23	1.65
Residential Demand Response	72.19	2.00	1.39	2.37	2.22
Demand Response Segment Total	**24.99**	**2.23**	**1.43**	**2.54**	**2.43**
Portfolio Total	**5.78**	**2.90**	**0.50**	**2.24**	**3.68**

Table 31b. Program Benefits/Cost Ratios, 2025 Natural Gas

Program Name	Participant Test	Utility Test	Gas Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	1.81	1.51	0.50	1.46	2.90
Energy Efficient Showerheads	67.67	2.57	0.58	17.05	4.62
Home Energy Insights	-	2.93	0.60	1.33	5.01
Home Energy Squad	13.78	1.55	0.51	1.23	2.78
Insulation Rebates	1.16	1.70	0.52	1.23	3.19
Residential Heating & Cooling	1.99	2.73	0.59	1.38	5.18
School Education Kits	103.20	4.97	0.66	4.98	8.93
Whole Home Efficiency	2.35	1.60	0.51	1.86	3.03
Residential Segment Total	**2.52**	**1.98**	**0.55**	**1.28**	**3.72**
Business Energy Assessments	5.99	4.43	0.69	1.14	8.42
Business New Construction	1.63	6.03	0.72	0.85	11.59
Custom Efficiency	7.41	5.94	0.72	3.07	11.35
Efficiency Controls	1.23	5.29	0.71	0.78	9.67
Empower Intelligence	1,030.57	0.03	0.03	0.01	0.06
Foodservice Equipment	3.87	2.72	0.63	3.27	4.98
HVAC+R	3.83	3.72	0.67	2.02	6.99
Load Strategy Analysis	2.58	6.47	0.73	0.68	11.97
Multi-Family Building Efficiency	9.02	3.25	0.65	2.43	6.23
Non-Profit Energy Savings Program	39.94	6.58	0.69	14.22	12.07
Process & Commercial Efficiency	3.46	5.57	0.71	1.59	10.36
Business Segment Total	**5.81**	**4.91**	**0.69**	**1.78**	**9.21**
Affordable Efficient New Home Construction	-	0.22	0.17	0.65	0.42
Home Energy Savings Program	1.43	0.23	0.18	0.71	0.43
Low Income Home Energy Squad	19.08	1.11	0.45	0.93	1.99
Low Income Multi-Family Building Efficiency	6.31	4.40	0.68	0.87	8.43
Income Qualified Segment Total	**2.25**	**0.52**	**0.31**	**0.60**	**0.98**
Commercial AC Control	8.92	1.48	0.53	0.03	2.66
Demand Response Segment Total	**8.92**	**1.48**	**0.53**	**0.01**	**2.66**
Portfolio Total	**3.76**	**2.31**	**0.59**	**1.14**	**4.34**

Table 31c. Program Benefits/Cost Ratios, 2025 Efficient Fuel Switching

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Gas Rate Impact Test	Societal Test	Minnesota Test Ratio
Residential Heating & Cooling	0.84	0.71	1.93	0.52	0.92	1.14
Whole Home Efficiency	0.40	0.57	2.31	0.56	0.55	0.85
Residential Segment Total	**0.82**	**0.71**	**1.95**	**0.52**	**0.91**	**1.13**
Business Energy Assessments	0.56	1.22	2.27	0.64	0.89	1.96
Business New Construction	1.29	0.60	1.61	0.59	1.83	0.95
Compressed Air Efficiency	1.50	-	1.29	-	1.89	2.30
Custom Efficiency	1.27	0.46	1.27	0.73	1.52	3.09
HVAC+R	0.25	0.63	1.82	0.71	0.43	0.90
Process & Commercial Efficiency	1.13	0.37	0.44	0.69	0.82	0.67
Business Segment Total	**0.72**	**0.80**	**1.73**	**0.65**	**1.05**	**1.60**
Home Energy Savings Program	0.49	0.22	2.25	0.28	0.50	0.34
Low Income Multi-Family Building Efficiency	0.89	0.03	2.22	0.03	0.16	0.06
Income Qualified Segment Total	**0.60**	**0.08**	**2.25**	**0.08**	**0.27**	**0.13**
Outdoor Equipment	3.29	-	0.29	-	1.86	2.32
Efficient Fuel Switching Total	**12.02**	**-**	**0.03**	**-**	**0.77**	**0.21**
Portfolio Total	**0.96**	**0.44**	**0.99**	**0.52**	**0.85**	**0.84**

Table 32a. Program Benefits/Cost Ratios, 2026 Electric

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	11.61	4.29	0.38	2.89	5.63
Energy Efficient Showerheads	136.34	3.61	0.31	9.76	4.46
Home Energy Squad	12.43	1.30	0.31	1.48	1.70
Home Lighting	12.33	4.78	0.36	3.12	6.28
Insulation Rebates	0.71	1.76	0.77	0.68	2.11
Refrigerator & Freezer Recycling	24.98	1.67	0.30	1.85	2.03
Residential Heating & Cooling	1.62	2.69	0.98	1.47	3.23
School Education Kits	18.46	3.07	0.44	3.38	3.85
Whole Home Efficiency	2.92	2.53	0.34	1.06	3.24
Residential Segment Total	**6.63**	**2.87**	**0.45**	**2.07**	**3.63**
Business Energy Assessments	4.64	3.77	0.49	2.07	4.82
Business New Construction	5.74	4.92	0.55	2.80	6.42
Compressed Air Efficiency	8.35	4.42	0.48	3.09	5.79
Custom Efficiency	5.13	3.30	0.47	4.25	4.27
Data Center Efficiency	3.96	4.72	0.41	1.89	6.28
Efficiency Controls	3.69	4.69	0.38	1.68	6.16
Empower Intelligence	5.38	1.12	0.28	0.90	1.42
Foodservice Equipment	10.24	2.41	0.45	2.87	3.11
HVAC+R	5.55	4.52	0.52	2.51	5.75
Lighting Efficiency	5.33	4.90	0.52	2.56	6.35
Load Strategy Analysis	7.23	3.86	0.41	2.54	5.05
Multi-Family Building Efficiency	10.49	0.75	0.29	1.14	0.93
Non-Profit Energy Savings Program	20.93	2.91	0.32	3.01	3.88
Process & Commercial Efficiency	6.25	5.40	0.52	3.07	6.93
Self-Direct	3.34	3.80	0.50	1.70	4.79
Business Segment Total	**5.68**	**4.48**	**0.50**	**2.70**	**5.80**
Affordable Efficient New Home Con	-	0.04	0.04	1.00	0.05
Home Energy Savings Program	2.39	0.35	0.19	0.68	0.44
Low Income Home Energy Squad	24.77	1.51	0.32	1.91	2.00
Low Income MFBE	3.61	0.61	0.25	0.94	0.77
Income Qualified Segment Total	**4.17**	**0.44**	**0.21**	**0.75**	**0.56**
Commercial AC Control	6.11	1.81	0.98	1.87	2.01
Critical Peak Pricing	-	19.11	16.94	19.12	19.12
Electric Rate Savings	-	4.56	1.50	4.75	4.75
Peak Partner Rewards	-	1.74	1.71	2.33	1.74
Residential Demand Response	72.62	1.92	1.34	2.29	2.14
Demand Response Segment Total	**19.65**	**2.24**	**1.46**	**2.53**	**2.44**
Portfolio Total	**5.92**	**2.92**	**0.50**	**2.25**	**3.70**

Table 32b. Program Benefits/Cost Ratios, 2026 Natural Gas

Program Name	Participant Test	Utility Test	Gas Rate Impact Test	Societal Test	Minnesota Test
Efficient New Home Construction	2.04	1.74	0.53	1.63	3.33
Energy Efficient Showerheads	68.27	2.75	0.59	17.38	4.91
Home Energy Insights	-	3.02	0.60	1.31	5.15
Home Energy Squad	13.99	1.57	0.51	1.24	2.81
Insulation Rebates	1.18	1.74	0.53	1.25	3.24
Residential Heating & Cooling	2.04	2.79	0.60	1.37	5.26
School Education Kits	104.73	4.95	0.66	4.92	8.84
Whole Home Efficiency	2.38	1.64	0.52	1.77	3.10
Residential Segment Total	**2.61**	**2.02**	**0.55**	**1.30**	**3.77**
Business Energy Assessments	5.89	4.61	0.70	1.15	8.70
Business New Construction	2.33	7.19	0.74	1.13	13.74
Custom Efficiency	7.52	5.89	0.72	3.02	11.21
Efficiency Controls	1.27	5.39	0.71	0.79	9.78
Empower Intelligence	1,150.01	0.03	0.03	0.01	0.06
Foodservice Equipment	4.13	2.63	0.63	3.34	4.79
HVAC+R	4.10	3.55	0.67	1.92	6.60
Load Strategy Analysis	2.40	5.73	0.72	0.68	10.54
Multi-Family Building Efficiency	9.16	3.44	0.66	2.55	6.56
Non-Profit Energy Savings Program	35.79	7.04	0.70	13.83	12.89
Process & Commercial Efficiency	3.54	5.55	0.71	1.64	10.27
Business Segment Total	**6.36**	**5.21**	**0.70**	**1.93**	**9.72**
Affordable Efficient New Home Construction	-	0.22	0.17	0.66	0.42
Home Energy Savings Program	1.39	0.23	0.18	0.76	0.43
Low Income Home Energy Squad	19.44	1.34	0.48	1.11	2.40
Low Income Multi-Family Building Efficiency	5.98	5.78	0.71	0.81	11.00
Income Qualified Segment Total	**2.08**	**0.50**	**0.30**	**0.64**	**0.93**
Commercial AC Control	9.08	1.41	0.52	0.03	2.52
Demand Response Segment Total	**9.08**	**1.41**	**0.52**	**0.01**	**2.52**
Portfolio Total	**3.92**	**2.37**	**0.59**	**1.19**	**4.41**

Table 32c. Program Benefits/Cost Ratios, 2026 Efficient Fuel Switching

Program Name	Participant Test	Utility Test	Electric Rate Impact Test	Gas Rate Impact Test	Societal Test	Minnesota Test
Residential Heating & Cooling	0.85	0.73	1.96	0.53	0.94	1.17
Whole Home Efficiency	0.41	0.59	2.33	0.57	0.57	0.87
Residential Segment Total	**0.83**	**0.72**	**1.97**	**0.53**	**0.93**	**1.16**
Business Energy Assessments	0.57	1.22	2.24	0.64	0.90	1.97
Business New Construction	1.29	0.62	1.63	0.60	1.85	0.98
Compressed Air Efficiency	1.50	-	1.31	-	1.92	2.34
Custom Efficiency	1.33	0.58	1.52	0.73	1.70	3.77
HVAC+R	0.27	0.63	1.83	0.70	0.44	0.91
Process & Commercial Efficiency	1.14	0.37	0.44	0.69	0.82	0.67
Business Segment Total	**0.84**	**0.80**	**1.75**	**0.64**	**1.23**	**1.56**
Home Energy Savings Program	0.43	0.21	2.29	0.29	0.48	0.32
Low Income Multi-Family Building Efficiency	1.62	0.03	2.24	0.03	0.18	0.06
Income Qualified Segment Total	**0.70**	**0.07**	**2.28**	**0.07**	**0.26**	**0.12**
Efficient Fuel Switching Training & Support	-	-	-	-	0.65	-
Outdoor Equipment	3.31	-	0.31	-	1.96	2.50
Efficient Fuel Switching Total	**13.42**	**-**	**0.02**	**-**	**0.79**	**0.19**
Portfolio Total	**0.93**	**0.53**	**1.26**	**0.53**	**0.92**	**0.96**

D. The total number of low-income and rental customers affected by the program;

Tables 17-18 shows expected low-income customer participation by program. Tables 19-20 shows expected rental customer participation by project. Determination of low-income and rental customer goals is discussed in the various detailed program descriptions.

E. The total number of customers within a customer class expected to participate in the program, expressed as a percentage of total number of customers within that customer class in a utilities service area; and

F. The customer classes expected to participate in the program.

Table 33 shows total customers by class. The participation totals reflect in our Executive Summaries reflect the fact that the same customer can participate in multiple programs and participation expressed as a percentage of total customer count is thus not a meaningful figure; the Company

does not have an accurate method to estimate participation by unique customers across the portfolio.

Table 33: Total Number of Customers

		Total # of Customers (2022)
Electric Only + Combination Customers[25]	Residential	1,204,220
	Commercial and Industrial	136,739
Natural Gas Only + Combination Customers[26]	Residential	444,425
	Commercial and Industrial	35,980

G. Other facts and circumstances concerning a particular utility that are relevant to determining the overall importance of the investment in energy conservation improvements

None.

[25] 2022 Electric Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree Days Data, p. E-29.
[26] 2022 Gas Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree E-39. 2022 Electric Jurisdictional Annual Report, E,G999/PR-23-4, Sales & Degree E-36-37.

Cost-Effectiveness Details

The Deputy Commissioner has required several items new to the Triennial Plan regarding cost-effectiveness. The Company includes compliance to these items below.

Docket No. E,G999/CIP-21-287 issued on March 15, 2022 has the following requirements as part of the EFS/Load Management Technical Guidance.

A. Alternative EFS/Load Management Cost-Benefit Analyses

The Company declined to create an alternative to the EFS or Load Management technical guidance provided by the Department. Instead, the Company utilized *Appendix A* as defined in Technical Guidance. We provide further details regarding EFS Screening and Cost Benefit Analysis in Appendix 2 and 3.

B. Spending Cap Calculation

The Company provides calculations not to exceed 0.35 percent per year, averaged over three years of our gross operating revenue from non-except customers as defined above. Additionally, EFS spending has been prorated for January 1- June 30, 2026 based on the Department's guidance.

C. Load Management Requirements

The Department requires the following for load management programs.

1. *Utilities should assess and file for approval stand-alone load management programs using custom versions of the Societal (primary), Utility, Participant, and Ratepayer Impact cost-effectiveness tests.*

The Company has filed a separate segment for load management/demand response programs as part of our Plan and provides the cost benefit analysis in the Appendix.

2. *For programs that combine load management features with other features ("multi-feature" – energy conservation, EFS, etc.), to the greatest degree possible, the cost effectiveness analysis should combine the components into a program-based cost effectiveness evaluation for approval.*

The Company has complied with this requirement and has include load shifting options in many of our business programs. Load Shifting does not appear in our load management/demand response segment as it is a measure within larger energy conservation programs.

3. *For reporting purposes, utilities should aim to separate the energy and demand savings for load management, EFS, and energy conservation embedded within multi-feature programs, but not double-count results*

All demand response programs have been separated into a new segment except for demand as part of our load shifting option which is a custom measure being reviewed under the conservation programs. To the extent possible, the Company will provide breakouts of load shifting as part of future Status Report filings.

4. *Like energy conservation measures, load management program cost-effectiveness will be reviewed at the program level and approved as part of a cost-effective segment (residential, commercial, industrial, etc.)*

The Company has filed a separate segment for load management/demand response programs as part of our Plan and provides the cost benefit analysis in the Appendix.

D. Addition of Preweatherization Measures

See Statutory Compliance (above) for additional information regarding preweatherization measures offered as part of our ECO portfolio.

Docket No. E,G999/CIP-23-46 issued on March 31, 2023 has the following requirements as part of the Cost-Effectiveness Methodologies.

A. Cost-Effectiveness Results

The Deputy Commissioner must present the following as part of their Triennial Plans.

- *Describe the cost-effectiveness results by program using the Minnesota Test,*
- *Describe any key cost-effectiveness issues that were considered in program design, and*
- *Describe any programs where secondary tests played a role in decision making.*

The Company provides the results of the Minnesota Test as part of Tables 30a-32c. Additionally, we provide the secondary tests for review. The Company considers all tests during program design, particularly the participant test as it shows whether the customer would benefit from participating. For programs with low participant tests, the Company may consider abandoning the program idea or adjusting incentive levels to make the program more attractive. For the Plan, the Company did not alter any program designs based on secondary tests, but did adjust some rebate amounts (e.g., the significantly increased rebate amounts for residential air-sealing and insulation) where doing so could enhance the participant test result without excessively reducing the utility or Minnesota test.

B. Cost-Effectiveness Test Impacts for Secondary Tests

The Deputy Commissioner provides the following list of cost-effectiveness impacts. Where impacts are not quantified or do not have an approved methodology, utilities should outline the assumptions and methodology details.

The Company complied to the methodologies provided by the Deputy Commissioner as identified in the March 31, 2023 Decision.

C. Marginal Energy Data

The Deputy Commissioner will allow electric IOUs to use internally provided marginal energy data, presumed to be the most up-to-date forecasts that would be used for Resource Plan modeling. The Deputy Commissioner requires that as part of their 2024-2026 triennial plan filings, the electric IOUs should: 1) describe the methods used to estimate their avoided marginal energy cost values; 2) share avoided marginal energy cost data in a form that is not considered Trade Secret (e.g. monthly, seasonal, or annual values, by day type and season, etc.), AND/OR provide a clear and simplified way for interested parties to receive the Trade Secret avoided marginal energy cost data (e.g. through a non-disclosure agreement with the utility).

The Company provided further detail regarding Marginal Energy as part of our Appendix 1: Electric Utility System Impacts.

D. Reporting

The Deputy Commissioner requires that utilities run cost-effectiveness tests based on the MCT, SCT, UCT, RIM and PCT and report at the program, segment, and portfolio level.

Please see Tables 30a-32c.

The filing should (either in the main body of the filing or part of the technical appendix) clearly show where and how the Company incorporated the required cost-effectiveness impacts and methods in their cost-effectiveness calculations.

The Company provided further detail regarding incorporation of the cost-effectiveness impacts in the Appendix.

As noted in Appendix L of the Decision, it is recommended here that utilities report the following in their Triennial Plans and Annual Status Reports.

Utility Type	*How to Report EFS Programs in EFS Segment*	*How to Report EFS Segment in Overall CIP Portfolio*
Electric	• *BTU Savings* • *BTU Savings converted to kWh* • *Actual kWh Impacts*	• *BTU Savings* • *BTU Savings converted to kWh* • *GHG Reduction*
Gas	• *BTU Savings*	• *BTU Savings* • *BTU Savings converted to therms*

The Company provides these details in the following tables.

Table 34: 2024 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(1,554,594)	15,417	-	-	-	(5,809,720)	15,417,393	-	-	-	-	9,608	658
Whole Home Efficiency	(78,986)	441	-	-	-	(295,182)	441,471	-	-	-	-	146	7
Residential Segment Total	**(1,633,580)**	**15,859**	**-**	**-**	**-**	**(6,104,903)**	**15,858,864**	**-**	**-**	**-**	**-**	**9,754**	**665**
Business Energy Assessments	(117,135)	1,873	-	-	-	(431,603)	1,873,400	-	-	-	-	1,442	100
Business New Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Compressed Air Efficiency	(34,620)	-	-	4,158	-	(127,563)	-	-	380,632	-	74,170	-	15
Custom Efficiency	(12,330)	99	820	-	-	(45,432)	98,600	98,639	-	-	22,252	76	11
HVAC+R	(169,156)	866	-	-	-	(623,284)	866,003	-	-	-	-	243	6
Process & Commercial Efficiency	(12,330)	197	-	-	-	(45,432)	197,200	-	-	-	-	152	11
Business Segment Total	**(345,571)**	**3,035**	**820**	**4,158**	**-**	**(1,273,314)**	**3,035,203**	**98,639**	**380,632**	**-**	**96,422**	**1,912**	**142**
Home Energy Savings Program	(23,205)	79	-	-	-	(86,720)	79,278	-	-	-	-	(7)	(2)
Low Income Multi-Family Building Efficiency	(5,559)	44	-	-	-	(20,776)	44,372	-	-	-	-	24	1
Income Qualified Segment Total	**(28,764)**	**124**	**-**	**-**	**-**	**(107,496)**	**123,650**	**-**	**-**	**-**	**-**	**16**	**(0)**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(49,970)	-	12,105	-	-	(185,105)	-	1,456,062	-	-	372,496	-	102
Efficient Fuel Switching Total	**(49,970)**	**-**	**12,105**	**-**	**-**	**(185,105)**	**-**	**1,456,062**	**-**	**-**	**372,496**	**-**	**102**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(2,057,886)**	**19,018**	**12,925**	**4,158**	**-**	**(7,670,817)**	**19,017,718**	**1,554,701**	**380,632**	**-**	**468,918**	**11,682**	**909**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(2,057,886)**	**19,018**	**12,925**	**4,158**	**-**	**(7,670,817)**	**19,017,718**	**1,554,701**	**380,632**	**-**	**468,918**	**11,682**	**909**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 35: 2024 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(25,804,591)	256,455	-	-	-	(96,435,119)	256,454,919	-	-	-	-	160,020	14,782
Whole Home Efficiency	(1,332,668)	7,435	-	-	-	(4,980,354)	7,435,372	-	-	-	-	2,455	323
Residential Segment Total	**(27,137,259)**	**263,890**	**-**	**-**	**-**	**(101,415,473)**	**263,890,291**	**-**	**-**	**-**	**-**	**162,475**	**15,106**
Business Energy Assessments	(2,342,700)	37,468	-	-	-	(8,632,065)	37,468,000	-	-	-	-	28,836	2,398
Business New Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Compressed Air Efficiency	(519,300)	-	-	62,370	-	(1,913,447)	-	-	5,709,475	-	1,112,552	-	297
Custom Efficiency	(246,600)	1,972	16,401	-	-	(908,638)	1,972,000	1,972,787	-	-	445,038	1,518	269
HVAC+R	(3,250,402)	17,011	-	-	-	(11,976,643)	17,011,059	-	-	-	-	5,034	700
Process & Commercial Efficiency	(246,600)	3,944	-	-	-	(908,638)	3,944,000	-	-	-	-	3,035	252
Business Segment Total	**(6,605,602)**	**60,395**	**16,401**	**62,370**	**-**	**(24,339,432)**	**60,395,059**	**1,972,787**	**5,709,475**	**-**	**1,557,590**	**38,423**	**3,918**
Home Energy Savings Program	(391,279)	1,189	-	-	-	(1,462,259)	1,189,169	-	-	-	-	(273)	21
Low Income Multi-Family Building Efficiency	(100,066)	799	-	-	-	(373,960)	798,705	-	-	-	-	425	42
Income Qualified Segment Total	**(491,345)**	**1,988**	**-**	**-**	**-**	**(1,836,219)**	**1,987,873**	**-**	**-**	**-**	**-**	**152**	**62**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(499,700)	-	121,050	-	-	(1,851,049)	-	14,560,620	-	-	3,724,962	-	1,096
Efficient Fuel Switching Total	**(499,700)**	**-**	**121,050**	**-**	**-**	**(1,851,049)**	**-**	**14,560,620**	**-**	**-**	**3,724,962**	**-**	**1,096**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(34,733,905)**	**326,273**	**137,451**	**62,370**	**-**	**(129,442,172)**	**326,273,223**	**16,533,408**	**5,709,475**	**-**	**5,282,552**	**201,050**	**20,181**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(34,733,905)**	**326,273**	**137,451**	**62,370**	**-**	**(129,442,172)**	**326,273,223**	**16,533,408**	**5,709,475**	**-**	**5,282,552**	**201,050**	**20,181**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 36: 2024 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(1,702,732)	15,417	-	-	-	(8,423,087)	15,417,393	-	-	-	-	6,994	658
Whole Home Efficiency	(86,513)	441	-	-	-	(436,845)	441,471	-	-	-	-	5	7
Residential Segment Total	**(1,789,245)**	**15,859**	**-**	**-**	**-**	**(8,859,932)**	**15,858,864**	**-**	**-**	**-**	**-**	**6,999**	**665**
Business Energy Assessments	(126,496)	1,873	-	-	-	(651,337)	1,873,400	-	-	-	-	1,222	100
Business New Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Compressed Air Efficiency	(37,387)	-	-	4,158	-	(194,104)	-	-	380,632	-	54,668	-	15
Custom Efficiency	(13,315)	99	820	-	-	(68,562)	98,600	98,639	-	-	18,862	64	11
HVAC+R	(182,674)	866	-	-	-	(946,191)	866,003	-	-	-	-	(80)	6
Process & Commercial Efficiency	(13,315)	197	-	-	-	(68,562)	197,200	-	-	-	-	129	11
Business Segment Total	**(373,187)**	**3,035**	**820**	**4,158**	**-**	**(1,928,756)**	**3,035,203**	**98,639**	**380,632**	**-**	**73,530**	**1,335**	**142**
Home Energy Savings Program	(25,416)	79	-	-	-	(128,996)	79,278	-	-	-	-	(50)	(2)
Low Income Multi-Family Building Efficiency	(6,089)	44	-	-	-	(30,904)	44,372	-	-	-	-	13	1
Income Qualified Segment Total	**(31,505)**	**124**	**-**	**-**	**-**	**(159,900)**	**123,650**	**-**	**-**	**-**	**-**	**(36)**	**(0)**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(54,251)	-	12,105	-	-	(293,692)	-	1,456,062	-	-	340,671	-	102
Efficient Fuel Switching Total	**(54,251)**	**-**	**12,105**	**-**	**-**	**(293,692)**	**-**	**1,456,062**	**-**	**-**	**340,671**	**-**	**102**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(2,248,188)**	**19,018**	**12,925**	**4,158**	**-**	**(11,242,281)**	**19,017,718**	**1,554,701**	**380,632**	**-**	**414,202**	**8,298**	**909**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(2,248,188)**	**19,018**	**12,925**	**4,158**	**-**	**(11,242,281)**	**19,017,718**	**1,554,701**	**380,632**	**-**	**414,202**	**8,298**	**909**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 37: 2024 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(28,263,517)	256,455	-	-	-	(122,646,340)	256,454,919	-	-	-	-	133,809	14,782
Whole Home Efficiency	(1,459,658)	7,435	-	-	-	(6,432,838)	7,435,372	-	-	-	-	1,003	323
Residential Segment Total	**(29,723,175)**	**263,890**	**-**	**-**	**-**	**(129,079,178)**	**263,890,291**	**-**	**-**	**-**	**-**	**134,811**	**15,106**
Business Energy Assessments	(2,529,914)	37,468	-	-	-	(11,184,245)	37,468,000	-	-	-	-	26,284	2,398
Business New Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Compressed Air Efficiency	(560,799)	-	-	62,370	-	(2,533,972)	-	-	5,709,475	-	930,687	-	297
Custom Efficiency	(266,307)	1,972	16,401	-	-	(1,177,289)	1,972,000	1,972,787	-	-	405,669	1,383	269
HVAC+R	(3,510,153)	17,011	-	-	-	(15,626,719)	17,011,059	-	-	-	-	1,384	700
Process & Commercial Efficiency	(266,307)	3,944	-	-	-	(1,177,289)	3,944,000	-	-	-	-	2,767	252
Business Segment Total	**(7,133,479)**	**60,395**	**16,401**	**62,370**	**-**	**(31,699,514)**	**60,395,059**	**1,972,787**	**5,709,475**	**-**	**1,336,356**	**31,818**	**3,918**
Home Energy Savings Program	(428,564)	1,189	-	-	-	(1,896,276)	1,189,169	-	-	-	-	(707)	21
Low Income Multi-Family Building Efficiency	(109,601)	799	-	-	-	(485,366)	798,705	-	-	-	-	313	42
Income Qualified Segment Total	**(538,165)**	**1,988**	**-**	**-**	**-**	**(2,381,642)**	**1,987,873**	**-**	**-**	**-**	**-**	**(394)**	**62**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(542,511)	-	121,050	-	-	(2,542,135)	-	14,560,620	-	-	3,522,416	-	1,096
Efficient Fuel Switching Total	**(542,511)**	**-**	**121,050**	**-**	**-**	**(2,542,135)**	**-**	**14,560,620**	**-**	**-**	**3,522,416**	**-**	**1,096**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(37,937,331)**	**326,273**	**137,451**	**62,370**	**-**	**(165,702,469)**	**326,273,223**	**16,533,408**	**5,709,475**	**-**	**4,858,772**	**166,236**	**20,181**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(37,937,331)**	**326,273**	**137,451**	**62,370**	**-**	**(165,702,469)**	**326,273,223**	**16,533,408**	**5,709,475**	**-**	**4,858,772**	**166,236**	**20,181**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 38: 2025 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(3,121,177)	30,948	-	-	-	(11,664,246)	30,948,441	-	-	-	-	19,284	1,675
Whole Home Efficiency	(149,249)	831	-	-	-	(557,764)	831,064	-	-	-	-	273	32
Residential Segment Total	**(3,270,426)**	**31,780**	**-**	**-**	**-**	**(12,222,010)**	**31,779,504**	**-**	**-**	**-**	**-**	**19,557**	**1,707**
Business Energy Assessments	(295,920)	4,733	-	-	-	(1,090,366)	4,732,800	-	-	-	-	3,642	282
Business New Construction	(123,138)	1,130	-	-	-	(453,722)	1,129,929	-	-	-	-	676	56
Compressed Air Efficiency	(69,240)	-	-	8,316	-	(255,126)	-	-	761,263	-	148,340	-	36
Custom Efficiency	(43,155)	296	2,460	-	-	(159,012)	295,800	295,918	-	-	60,098	228	37
HVAC+R	(175,282)	928	-	-	-	(645,856)	927,803	-	-	-	-	282	34
Process & Commercial Efficiency	(12,330)	197	-	-	-	(45,432)	197,200	-	-	-	-	152	12
Business Segment Total	**(719,065)**	**7,284**	**2,460**	**8,316**	**-**	**(2,649,514)**	**7,283,532**	**295,918**	**761,263**	**-**	**208,438**	**4,980**	**457**
Home Energy Savings Program	(34,807)	119	-	-	-	(130,080)	118,917	-	-	-	-	(11)	2
Low Income Multi-Family Building Efficiency	(11,118)	44	-	-	-	(41,551)	44,372	-	-	-	-	3	1
Income Qualified Segment Total	**(45,926)**	**163**	**-**	**-**	**-**	**(171,631)**	**163,289**	**-**	**-**	**-**	**-**	**(8)**	**3**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(49,970)	-	12,105	-	-	(185,105)	-	1,456,062	-	-	372,496	-	106
Efficient Fuel Switching Total	**(49,970)**	**-**	**12,105**	**-**	**-**	**(185,105)**	**-**	**1,456,062**	**-**	**-**	**372,496**	**-**	**106**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(4,085,387)**	**39,226**	**14,565**	**8,316**	**-**	**(15,228,259)**	**39,226,326**	**1,751,980**	**761,263**	**-**	**580,934**	**24,529**	**2,273**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(4,085,387)**	**39,226**	**14,565**	**8,316**	**-**	**(15,228,259)**	**39,226,326**	**1,751,980**	**761,263**	**-**	**580,934**	**24,529**	**2,273**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 39: 2025 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(51,792,858)	514,683	-	-	-	(193,556,662)	514,682,801	-	-	-	-	321,126	30,241
Whole Home Efficiency	(2,515,969)	13,937	-	-	-	(9,402,505)	13,936,935	-	-	-	-	4,534	628
Residential Segment Total	**(54,308,827)**	**528,620**	**-**	**-**	**-**	**(202,959,167)**	**528,619,736**	**-**	**-**	**-**	**-**	**325,661**	**30,869**
Business Energy Assessments	(5,918,400)	94,656	-	-	-	(21,807,323)	94,656,000	-	-	-	-	72,849	6,119
Business New Construction	(2,462,757)	22,599	-	-	-	(9,074,435)	22,598,575	-	-	-	-	13,524	1,322
Compressed Air Efficiency	(1,038,600)	-	-	124,740	-	(3,826,893)	-	-	11,418,949	-	2,225,104	-	608
Custom Efficiency	(863,100)	5,916	49,202	-	-	(3,180,235)	5,916,000	5,918,362	-	-	1,201,959	4,553	799
HVAC+R	(3,311,662)	17,629	-	-	-	(12,202,366)	17,629,059	-	-	-	-	5,427	774
Process & Commercial Efficiency	(246,600)	3,944	-	-	-	(908,638)	3,944,000	-	-	-	-	3,035	255
Business Segment Total	**(13,841,119)**	**144,744**	**49,202**	**124,740**	**-**	**(50,999,890)**	**144,743,635**	**5,918,362**	**11,418,949**	**-**	**3,427,063**	**99,388**	**9,877**
Home Energy Savings Program	(586,918)	1,784	-	-	-	(2,193,388)	1,783,753	-	-	-	-	(410)	38
Low Income Multi-Family Building Efficiency	(200,132)	799	-	-	-	(747,920)	798,705	-	-	-	-	51	27
Income Qualified Segment Total	**(787,050)**	**2,582**	**-**	**-**	**-**	**(2,941,309)**	**2,582,458**	**-**	**-**	**-**	**-**	**(359)**	**65**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(499,700)	-	121,050	-	-	(1,851,049)	-	14,560,620	-	-	3,724,962	-	1,106
Efficient Fuel Switching Total	**(499,700)**	**-**	**121,050**	**-**	**-**	**(1,851,049)**	**-**	**14,560,620**	**-**	**-**	**3,724,962**	**-**	**1,106**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(69,436,697)**	**675,946**	**170,252**	**124,740**	**-**	**(258,751,414)**	**675,945,828**	**20,478,982**	**11,418,949**	**-**	**7,152,026**	**424,690**	**41,918**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(69,436,697)**	**675,946**	**170,252**	**124,740**	**-**	**(258,751,414)**	**675,945,828**	**20,478,982**	**11,418,949**	**-**	**7,152,026**	**424,690**	**41,918**

*Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 40: 2025 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(3,418,595)	30,948	-	-	-	(15,582,287)	30,948,441	-	-	-	-	15,366	1,675
Whole Home Efficiency	(163,471)	831	-	-	-	(739,536)	831,064	-	-	-	-	92	32
Residential Segment Total	**(3,582,066)**	**31,780**	**-**	**-**	**-**	**(16,321,823)**	**31,779,504**	**-**	**-**	**-**	**-**	**15,458**	**1,707**
Business Energy Assessments	(319,568)	4,733	-	-	-	(1,540,588)	4,732,800	-	-	-	-	3,192	282
Business New Construction	(132,978)	1,130	-	-	-	(641,067)	1,129,929	-	-	-	-	489	56
Compressed Air Efficiency	(74,773)	-	-	8,316	-	(363,358)	-	-	761,263	-	116,619	-	36
Custom Efficiency	(46,604)	296	2,460	-	-	(224,669)	295,800	295,918	-	-	49,102	200	37
HVAC+R	(189,290)	928	-	-	-	(844,394)	927,803	-	-	-	-	83	34
Process & Commercial Efficiency	(13,315)	197	-	-	-	(64,191)	197,200	-	-	-	-	133	12
Business Segment Total	**(776,528)**	**7,284**	**2,460**	**8,316**	**-**	**(3,678,268)**	**7,283,532**	**295,918**	**761,263**	**-**	**165,721**	**4,097**	**457**
Home Energy Savings Program	(38,124)	119	-	-	-	(171,468)	118,917	-	-	-	-	(53)	2
Low Income Multi-Family Building Efficiency	(12,178)	44	-	-	-	(54,772)	44,372	-	-	-	-	(10)	1
Income Qualified Segment Total	**(50,302)**	**163**	**-**	**-**	**-**	**(226,240)**	**163,289**	**-**	**-**	**-**	**-**	**(63)**	**3**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(54,251)	-	12,105	-	-	(282,552)	-	1,456,062	-	-	343,936	-	106
Efficient Fuel Switching Total	**(54,251)**	**-**	**12,105**	**-**	**-**	**(282,552)**	**-**	**1,456,062**	**-**	**-**	**343,936**	**-**	**106**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(4,463,147)**	**39,226**	**14,565**	**8,316**	**-**	**(20,508,883)**	**39,226,326**	**1,751,980**	**761,263**	**-**	**509,657**	**19,492**	**2,273**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(4,463,147)**	**39,226**	**14,565**	**8,316**	**-**	**(20,508,883)**	**39,226,326**	**1,751,980**	**761,263**	**-**	**509,657**	**19,492**	**2,273**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 41: 2025 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(56,728,213)	514,683	-	-	-	(244,124,505)	514,682,801	-	-	-	-	270,558	30,241
Whole Home Efficiency	(2,755,717)	13,937	-	-	-	(12,067,010)	13,936,935	-	-	-	-	1,870	628
Residential Segment Total	**(59,483,929)**	**528,620**	**-**	**-**	**-**	**(256,191,514)**	**528,619,736**	**-**	**-**	**-**	**-**	**272,428**	**30,869**
Business Energy Assessments	(6,391,361)	94,656	-	-	-	(27,992,014)	94,656,000	-	-	-	-	66,664	6,119
Business New Construction	(2,659,565)	22,599	-	-	-	(11,648,001)	22,598,575	-	-	-	-	10,951	1,322
Compressed Air Efficiency	(1,121,598)	-	-	124,740	-	(5,017,268)	-	-	11,418,949	-	1,876,225	-	608
Custom Efficiency	(932,073)	5,916	49,202	-	-	(4,082,169)	5,916,000	5,918,362	-	-	1,050,907	4,166	799
HVAC+R	(3,576,309)	17,629	-	-	-	(15,774,788)	17,629,059	-	-	-	-	1,854	774
Process & Commercial Efficiency	(266,307)	3,944	-	-	-	(1,166,334)	3,944,000	-	-	-	-	2,778	255
Business Segment Total	**(14,947,213)**	**144,744**	**49,202**	**124,740**	**-**	**(65,680,574)**	**144,743,635**	**5,918,362**	**11,418,949**	**-**	**2,927,132**	**86,413**	**9,877**
Home Energy Savings Program	(642,845)	1,784	-	-	-	(2,820,716)	1,783,753	-	-	-	-	(1,037)	38
Low Income Multi-Family Building Efficiency	(219,203)	799	-	-	-	(962,739)	798,705	-	-	-	-	(164)	27
Income Qualified Segment Total	**(862,048)**	**2,582**	**-**	**-**	**-**	**(3,783,455)**	**2,582,458**	**-**	**-**	**-**	**-**	**(1,201)**	**65**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(542,511)	-	121,050	-	-	(2,488,032)	-	14,560,620	-	-	3,538,273	-	1,106
Efficient Fuel Switching Total	**(542,511)**	**-**	**121,050**	**-**	**-**	**(2,488,032)**	**-**	**14,560,620**	**-**	**-**	**3,538,273**	**-**	**1,106**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(75,835,702)**	**675,946**	**170,252**	**124,740**	**-**	**(328,143,576)**	**675,945,828**	**20,478,982**	**11,418,949**	**-**	**6,465,405**	**357,640**	**41,918**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(75,835,702)**	**675,946**	**170,252**	**124,740**	**-**	**(328,143,576)**	**675,945,828**	**20,478,982**	**11,418,949**	**-**	**6,465,405**	**357,640**	**41,918**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 42: 2026 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	Gasoline Savings	Propane Savings	Diesel Savings	Net Gen kWh Savings	Dth Savings	GHG Savings
Residential Heating & Cooling	(6,240,436)	61,863	-	-	-	(23,321,321)	61,862,808	-	-	-	-	38,541	3,391
Whole Home Efficiency	(221,412)	1,255	-	-	-	(827,447)	1,254,730	-	-	-	-	427	48
Residential Segment Total	**(6,461,848)**	**63,118**	**-**	**-**	**-**	**(24,148,768)**	**63,117,538**	**-**	**-**	**-**	**-**	**38,969**	**3,439**
Business Energy Assessments	(369,900)	5,916	-	-	-	(1,362,958)	5,916,000	-	-	-	-	4,553	355
Business New Construction	(331,793)	3,071	-	-	-	(1,222,545)	3,071,287	-	-	-	-	1,849	155
Compressed Air Efficiency	(69,240)	-	-	8,316	-	(255,126)	-	-	761,263	-	148,340	-	37
Custom Efficiency	(67,815)	493	4,100	-	-	(249,876)	493,000	493,197	-	-	104,602	379	62
HVAC+R	(181,408)	990	-	-	-	(668,428)	989,603	-	-	-	-	321	34
Process & Commercial Efficiency	(12,330)	197	-	-	-	(45,432)	197,200	-	-	-	-	152	12
Business Segment Total	**(1,032,486)**	**10,667**	**4,100**	**8,316**	**-**	**(3,804,365)**	**10,667,090**	**493,197**	**761,263**	**-**	**252,942**	**7,254**	**654**
Home Energy Savings Program	(53,611)	159	-	-	-	(200,350)	158,556	-	-	-	-	(42)	1
Low Income Multi-Family Building Efficiency	(5,559)	89	-	-	-	(20,776)	88,745	-	-	-	-	68	5
Income Qualified Segment Total	**(59,170)**	**247**	**-**	**-**	**-**	**(221,125)**	**247,301**	**-**	**-**	**-**	**-**	**26**	**6**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(49,970)	-	12,105	-	-	(185,105)	-	1,456,062	-	-	372,496	-	107
Efficient Fuel Switching Total	**(49,970)**	**-**	**12,105**	**-**	**-**	**(185,105)**	**-**	**1,456,062**	**-**	**-**	**372,496**	**-**	**107**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(7,603,474)**	**74,032**	**16,205**	**8,316**	**-**	**(28,359,363)**	**74,031,928**	**1,949,259**	**761,263**	**-**	**625,438**	**46,249**	**4,206**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(7,603,474)**	**74,032**	**16,205**	**8,316**	**-**	**(28,359,363)**	**74,031,928**	**1,949,259**	**761,263**	**-**	**625,438**	**46,249**	**4,206**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 43: 2026 Efficient Fuel Switching Site-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(103,560,773)	1,028,923	-	-	-	(387,020,107)	1,028,922,643	-	-	-	-	641,903	60,879
Whole Home Efficiency	(3,723,973)	20,881	-	-	-	(13,916,974)	20,881,457	-	-	-	-	6,964	961
Residential Segment Total	**(107,284,747)**	**1,049,804**	**-**	**-**	**-**	**(400,937,082)**	**1,049,804,100**	**-**	**-**	**-**	**-**	**648,867**	**61,840**
Business Energy Assessments	(7,398,000)	118,320	-	-	-	(27,259,153)	118,320,000	-	-	-	-	91,061	7,692
Business New Construction	(6,627,227)	61,279	-	-	-	(24,419,114)	61,279,288	-	-	-	-	36,860	3,629
Compressed Air Efficiency	(1,038,600)	-	-	124,740	-	(3,826,893)	-	-	11,418,949	-	2,225,104	-	613
Custom Efficiency	(1,356,300)	9,860	82,004	-	-	(4,997,511)	9,860,000	9,863,936	-	-	2,092,034	7,588	1,351
HVAC+R	(3,372,922)	18,247	-	-	-	(12,428,088)	18,247,059	-	-	-	-	5,819	823
Process & Commercial Efficiency	(246,600)	3,944	-	-	-	(908,638)	3,944,000	-	-	-	-	3,035	256
Business Segment Total	**(20,039,649)**	**211,650**	**82,004**	**124,740**	**-**	**(73,839,399)**	**211,650,348**	**9,863,936**	**11,418,949**	**-**	**4,317,139**	**144,364**	**14,365**
Home Energy Savings Program	(912,170)	2,378	-	-	-	(3,408,897)	2,378,337	-	-	-	-	(1,031)	34
Low Income Multi-Family Building Efficiency	(100,066)	1,597	-	-	-	(373,960)	1,597,409	-	-	-	-	1,223	101
Income Qualified Segment Total	**(1,012,236)**	**3,976**	**-**	**-**	**-**	**(3,782,857)**	**3,975,747**	**-**	**-**	**-**	**-**	**193**	**135**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(499,700)	-	121,050	-	-	(1,851,049)	-	14,560,620	-	-	3,724,962	-	1,111
Efficient Fuel Switching Total	**(499,700)**	**-**	**121,050**	**-**	**-**	**(1,851,049)**	**-**	**14,560,620**	**-**	**-**	**3,724,962**	**-**	**1,111**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(128,836,332)**	**1,265,430**	**203,054**	**124,740**	**-**	**(480,410,386)**	**1,265,430,194**	**24,424,556**	**11,418,949**	**-**	**8,042,101**	**793,424**	**77,451**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(128,836,332)**	**1,265,430**	**203,054**	**124,740**	**-**	**(480,410,386)**	**1,265,430,194**	**24,424,556**	**11,418,949**	**-**	**8,042,101**	**793,424**	**77,451**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 44: 2026 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - First Year

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(6,835,088)	61,863	-	-	-	(29,456,505)	61,862,808	-	-	-	-	32,406	3,391
Whole Home Efficiency	(242,511)	1,255	-	-	-	(1,055,885)	1,254,730	-	-	-	-	199	48
Residential Segment Total	**(7,077,599)**	**63,118**	**-**	**-**	**-**	**(30,512,390)**	**63,117,538**	**-**	**-**	**-**	**-**	**32,605**	**3,439**
Business Energy Assessments	(399,460)	5,916	-	-	-	(1,867,206)	5,916,000	-	-	-	-	4,049	355
Business New Construction	(358,307)	3,071	-	-	-	(1,674,846)	3,071,287	-	-	-	-	1,396	155
Compressed Air Efficiency	(74,773)	-	-	8,316	-	(350,222)	-	-	761,263	-	120,469	-	37
Custom Efficiency	(73,234)	493	4,100	-	-	(342,321)	493,000	493,197	-	-	89,823	337	62
HVAC+R	(195,905)	990	-	-	-	(867,185)	989,603	-	-	-	-	122	34
Process & Commercial Efficiency	(13,315)	197	-	-	-	(62,240)	197,200	-	-	-	-	135	12
Business Segment Total	**(1,114,995)**	**10,667**	**4,100**	**8,316**	**-**	**(5,164,022)**	**10,667,090**	**493,197**	**761,263**	**-**	**210,292**	**6,040**	**654**
Home Energy Savings Program	(58,719)	159	-	-	-	(254,502)	158,556	-	-	-	-	(96)	1
Low Income Multi-Family Building Efficiency	(6,089)	89	-	-	-	(26,391)	88,745	-	-	-	-	62	5
Income Qualified Segment Total	**(64,808)**	**247**	**-**	**-**	**-**	**(280,893)**	**247,301**	**-**	**-**	**-**	**-**	**(34)**	**6**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(54,251)	-	12,105	-	-	(276,786)	-	1,456,062	-	-	345,626	-	107
Efficient Fuel Switching Total	**(54,251)**	**-**	**12,105**	**-**	**-**	**(276,786)**	**-**	**1,456,062**	**-**	**-**	**345,626**	**-**	**107**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(8,311,654)**	**74,032**	**16,205**	**8,316**	**-**	**(36,234,090)**	**74,031,928**	**1,949,259**	**761,263**	**-**	**555,918**	**38,612**	**4,206**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(8,311,654)**	**74,032**	**16,205**	**8,316**	**-**	**(36,234,090)**	**74,031,928**	**1,949,259**	**761,263**	**-**	**555,918**	**38,612**	**4,206**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

Table 45: 2026 Efficient Fuel Switching Source-Based Fuel Nuetral Energy Analysis - Lifetime

	Actual impacts					kBTU impacts					Net Impacts		GHGs
Program Name	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**Gasoline Savings**	**Propane Savings**	**Diesel Savings**	**Net Gen kWh Savings**	**Dth Savings**	**GHG Savings**
Residential Heating & Cooling	(113,429,105)	1,028,923	-	-	-	(486,664,836)	1,028,922,643	-	-	-	-	542,258	60,879
Whole Home Efficiency	(4,078,832)	20,881	-	-	-	(17,844,945)	20,881,457	-	-	-	-	3,037	961
Residential Segment Total	**(117,507,937)**	**1,049,804**	**-**	**-**	**-**	**(504,509,781)**	**1,049,804,100**	**-**	**-**	**-**	**-**	**545,294**	**61,840**
Business Energy Assessments	(7,989,201)	118,320	-	-	-	(34,755,979)	118,320,000	-	-	-	-	83,564	7,692
Business New Construction	(7,156,833)	61,279	-	-	-	(31,135,514)	61,279,288	-	-	-	-	30,144	3,629
Compressed Air Efficiency	(1,121,598)	-	-	124,740	-	(4,989,720)	-	-	11,418,949	-	1,884,299	-	613
Custom Efficiency	(1,464,687)	9,860	82,004	-	-	(6,371,929)	9,860,000	9,863,936	-	-	1,872,315	6,964	1,351
HVAC+R	(3,642,464)	18,247	-	-	-	(16,049,376)	18,247,059	-	-	-	-	2,198	823
Process & Commercial Efficiency	(266,307)	3,944	-	-	-	(1,158,533)	3,944,000	-	-	-	-	2,785	256
Business Segment Total	**(21,641,090)**	**211,650**	**82,004**	**124,740**	**-**	**(94,461,051)**	**211,650,348**	**9,863,936**	**11,418,949**	**-**	**3,756,614**	**125,655**	**14,365**
Home Energy Savings Program	(999,090)	2,378	-	-	-	(4,379,265)	2,378,337	-	-	-	-	(2,001)	34
Low Income Multi-Family Building Efficiency	(109,601)	1,597	-	-	-	(480,566)	1,597,409	-	-	-	-	1,117	101
Income Qualified Segment Total	**(1,108,692)**	**3,976**	**-**	**-**	**-**	**(4,859,831)**	**3,975,747**	**-**	**-**	**-**	**-**	**(884)**	**135**
Demand Response Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Outdoor Equipment	(542,511)	-	121,050	-	-	(2,456,779)	-	14,560,620	-	-	3,547,433	-	1,111
Efficient Fuel Switching Total	**(542,511)**	**-**	**121,050**	**-**	**-**	**(2,456,779)**	**-**	**14,560,620**	**-**	**-**	**3,547,433**	**-**	**1,111**
Indirect Products & Services Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Research, Evaluations & Pilots Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total	**(140,800,230)**	**1,265,430**	**203,054**	**124,740**	**-**	**(606,287,441)**	**1,265,430,194**	**24,424,556**	**11,418,949**	**-**	**7,304,047**	**670,065**	**77,451**
Assessments Segment Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Alternative Filings Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Portfolio Total w Alternative Filings	**(140,800,230)**	**1,265,430**	**203,054**	**124,740**	**-**	**(606,287,441)**	**1,265,430,194**	**24,424,556**	**11,418,949**	**-**	**7,304,047**	**670,065**	**77,451**

Tables are in terms of energy savings. Negative numbers indicate increases in energy consumption.

RESIDENTIAL SEGMENT

Overview

The Residential Segment reflects the diverse population across electric and natural gas customers. This segment is assembled to provide educational resources on how to understand and reduce residential energy bills, rebates, and incentives to remove barriers to investing in energy-efficiency equipment, and financial and trade resource support to enable the installation of conservation measures in customer's homes.

For the 2024-2026 ECO triennial filing, the Company proposes to continue many of our successful programs. We also propose the addition of new incentives, marketing efforts specifically targeted to our residential customers, and additional tools to manage energy as we shift from simple low-cost measures (such as a lightbulb) to more expensive and impactful measures – many of which are aimed towards beneficial electrification. Additionally, with the passing of the Inflation Reduction Act (IRA), the Company anticipates a role in providing customers and contractors with education on the incentives and tax credits available, which may include collaboration with IRA implementation.

Programs

The Residential Segment proposes a comprehensive set of program offerings including prescriptive rebates for heating and cooling equipment, home lighting, whole house solutions for new or existing homes, lessons on energy efficiency to school-aged children, energy savings through behavior change, and refrigerator recycling.

Targets

The Residential Segment portfolio is designed to provide all residential customers with an opportunity to lower their energy costs. With a portfolio of 13 programs, the residential segment accounts for roughly 23 percent of our total electric energy savings and 40 percent of our total natural gas savings. The following tables present the Company's targets for 2024-2026:

Table 46a: 2024 Residential Segment

	Electric				Natural Gas		
2024	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Consumer Education	481,500	$963,000	-	-	321,000	$642,000	-
Efficient New Home Construction	2,925	$1,674,205	1,208	4,317,702	1,630	$2,299,104	39,905
Energy Efficient Showerheads	4,860	$146,428	118	1,440,811	6,840	$244,642	13,004
Home Energy Audit	13,843	$2,294,658	-	-	5,105	$1,518,714	-
Home Energy Insights	1,119,270	$1,312,724	5,604	28,289,302	277,060	$328,553	63,598
Home Energy Squad	11,322	$3,314,688	1,417	8,289,858	4,160	$1,020,713	33,827
Home Lighting	337,450	$6,512,219	7,733	68,000,679	-	-	-
Insulation Rebates	2,355	$307,036	292	221,656	2,313	$1,219,022	32,321
Lamp Recycling	471,787	$326,986	-	-	-	-	-
Refrigerator & Freezer Recycling	7,000	$1,535,915	866	7,414,303	-	-	-
Residential Heating & Cooling	41,862	$10,131,631	15,604	9,586,628	25,968	$5,393,065	205,540
School Education Kits	42,000	$1,704,759	2,189	7,885,093	21,500	$398,520	51,598
Whole Home Efficiency	215	$82,224	52	302,054	202	$171,612	3,685
Residential Segment Total	**2,536,389**	**$30,306,724**	**35,083**	**135,748,086**	**665,778**	**$13,235,945**	**443,477**

Table 46b: 2025 Residential Segment

	Electric				Natural Gas		
2025	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Consumer Education	481,500	$1,011,150	-	-	321,000	$674,100	-
Efficient New Home Construction	3,211	$1,773,156	1,331	4,749,959	1,784	$2,443,495	43,764
Energy Efficient Showerheads	4,950	$152,129	128	1,568,872	7,250	$254,232	14,285
Home Energy Audit	15,607	$2,580,435	-	-	5,757	$1,707,142	-
Home Energy Insights	1,073,690	$1,341,583	6,027	29,698,787	243,620	$315,309	64,366
Home Energy Squad	12,455	$3,695,893	1,345	7,604,384	4,576	$1,131,141	35,882
Home Lighting	281,406	$6,188,693	7,949	66,138,029	-	-	-
Insulation Rebates	2,588	$329,829	321	236,271	2,541	$1,337,055	35,470
Lamp Recycling	452,816	$314,829	-	-	-	-	-
Refrigerator & Freezer Recycling	7,100	$1,571,689	879	7,520,222	-	-	-
Residential Heating & Cooling	42,552	$10,548,756	16,660	9,845,805	26,238	$5,398,370	205,540
School Education Kits	42,920	$1,772,397	2,223	7,988,977	21,970	$414,624	52,930
Whole Home Efficiency	282	$115,819	71	472,182	242	$186,602	4,035
Residential Segment Total	**2,421,077**	**$31,396,357**	**35,935**	**135,820,489**	**634,978**	**$13,862,071**	**456,271**

Table 46c: 2025 Residential Segment

	Electric				Natural Gas		
2026	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Consumer Education	481,500	$1,061,708	-	-	321,000	$707,804	-
Efficient New Home Construction	3,542	$1,939,974	2,289	12,427,389	1,962	$2,632,130	53,554
Energy Efficient Showerheads	5,150	$160,292	139	1,709,662	7,425	$264,686	15,695
Home Energy Audit	17,639	$2,909,095	-	-	6,511	$1,924,822	-
Home Energy Insights	1,031,550	$1,362,227	6,101	29,893,776	212,540	$302,989	63,285
Home Energy Squad	13,700	$4,053,136	1,297	7,005,339	5,034	$1,236,574	38,808
Home Lighting	309,362	$6,201,004	8,166	69,741,372	-	-	-
Insulation Rebates	2,846	$ 353,737	353	252,647	2,796	$1,470,935	39,026
Lamp Recycling	433,845	$ 302,681	-	-	-	-	-
Refrigerator & Freezer Recycling	7,200	$1,610,175	891	7,626,140	-	-	-
Residential Heating & Cooling	43,922	$11,344,004	15,770	10,351,846	26,778	$5,374,118	205,540
School Education Kits	43,867	$1,843,027	2,260	8,091,666	22,453	$431,439	53,956
Whole Home Efficiency	361	$154,746	94	670,717	288	$202,925	4,403
Residential Segment Total	**2,397,484**	**$33,295,807**	**37,360**	**147,770,554**	**606,787**	**$14,548,423**	**474,266**

Market Analysis

The Residential Segment reflects the primary market opportunities for residential energy savings in four areas: energy efficiency incentives, education and behavioral change, residential heating and cooling, and whole home and building envelope.

- *Energy Efficiency Equipment:* The Company supports energy-saving measures focused on the low cost/no cost measures that allow customers to easily participate in our rebate programs without high upfront costs through such programs as Home Energy Squad, Home Lighting and Lamp Recycling and Energy Efficient Showerheads.
- *Education and Behavioral Change:* Through Home Energy Insights, customers gain understanding into their own energy use, receive suggestions for steps to reduce their bills, and learn about additional programs that are available to help with the cost of more expensive measures. School Education Kits provide easy-to-install savings measures along

with information intended to foster market transformation by enhancing students' understanding of energy.

- *Residential Heating and Cooling*: The Company offers products focused on quality installation of new units and replacement of inefficient existing heating and cooling systems. New in this plan, we propose to offer incentives for dual fuel heat pumps and heat pump water heaters as now allowed by the ECO Act.
- *Whole Home and Building Envelope*: Rather than addressing specific measures, this category of programs helps residential customers pursue broad energy efficiency opportunities in new or existing homes. Offerings in this category include holistic programs such as Whole Home Efficiency and Efficient New Home Construction, as well as programs supporting measures that affect multiple end-uses, such as Insulation Rebates.

Marketing/Advertising/Promotion

Trade allies, end-use equipment vendors, energy services companies, the Company's call center representatives and marketing team are the primary drivers for realization of the planned achievements in the Residential Program. The Company uses newsletters, customer events, direct mail, telemarketing, email communications, and awareness advertising to reach customers. A challenge in marketing energy efficiency is that it is not a topic on the top of customers' minds. Customers tend to focus on purchase price (or "upfront costs") rather than lifetime costs and are unlikely to replace equipment prior to failure. Customers may also not be aware of energy efficient equipment options available to them when the need arises to make purchase decisions.

To overcome this challenge, the Company employs an integrated approach to marketing communications, where the tactics are designed to work in concert with each other and reinforce key messages over time. When communicating with customers, the Company will use several overarching key messages including reduced consumption, lower operating costs, decreased utility bills, and environmental impact through carbon reduction.

Policies

The Residential Segment does not have any unique, segment-based policies. Each program will enforce its participation and equipment eligibility rules and requirements; however, they may be modified when warranted and within guidance outlined by the Minnesota Department of Commerce.

Involvement with Interested Individuals and Entities

The Company continues to regularly meet with many organizations to refine existing programs, shape new programs, and discuss partnership opportunities. These organizations include but are not limited to local advocates and partners such as Center for Energy and Environment, trade allies, and contracted program implementers; regional and national experts such as the American Council for Energy Efficient Economy and the Midwest Energy Efficiency Alliance; other Minnesota electric and gas utilities; and representatives of the cities and counties in which the Company operates.

1. CONSUMER EDUCATION

Program Description

The Consumer Education program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium.

The Consumer Education program is an indirect-impact program that provides residential customers with information and resources to reduce their energy usage. Because the residential segment is demographically varied, the Company employs a variety of resources to communicate the energy conservation message. For the Plan, the Company will focus on renewing existing partnerships and building new relationships. In addition, the program employs digital media strategies to drive active engagement in energy efficiency. By continuing to diversify the communication channels, the program increases residential customers' knowledge base and provides a greater variety of resource options and services.

Program Details

The program's communication strategies include the following:

- Customer outreach via annual sponsorships and local community events with on-site activations and highly visible direct messaging opportunities;
- Digital media;
- Direct mail marketing to communicate energy conservation messages;
- Print and/or digital advertising in conservation publications;
- Publication of reference materials; and
- Sponsorship of seminars and conferences supporting residential conservation and energy efficiency.

The program will use engaging event activations to provide information and resources that help residential customers reduce their energy usage at home. The common theme in the messaging conveys the importance of everyone's role in becoming more energy efficient. The program will target a variety of high-traffic events throughout the year to reach a wide-ranging demographic of Xcel Energy customers. Events include professional and regional sports games, county fairs, arts and cultural festivals and a variety of other community events.

Program Changes

The Company is not proposing any changes to the Consumer Education program.

Budget, Participation and Target Considerations

Program budgets were developed through identification of customer segments, costs to produce materials, event and sponsorship costs and staffing.

The main budget drivers include the following:

- Utility Administration: This category represents the labor needed for program planning and implementation.
- Advertising & Promotion: This budget includes funds for printed materials, community outreach events, sponsorships, and digital advertising.

Participation targets were established through the review of historical data from targeted, successful outreach to customer segments and use of multiple channels for delivery of energy efficiency messaging. Participation for the program is defined as any time a customer engages with the program via impression or touch point, whether it be an in-person event interaction or a digital impression.

Stakeholder Involvement
Not Applicable.

2. EFFICIENT NEW HOME CONSTRUCTION

Program Description
Efficient New Home Construction was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Efficient New Home Construction is designed to target home builders of residential single-family, duplex, triplex, fourplex, town homes, and condominium units that have individual heating systems and residential meters for Xcel Energy natural gas and/or electric service. The Company will provide financial incentives for building homes at least 10 percent better than established in the State energy code (better than code, or BTC) with incentives increasing with higher levels of building efficiency. These efficiency projects may pertain to improvements in building envelopes, heating and cooling systems, water heat, appliances, and other permanent energy consuming devices. Savings are determined by energy models built on data collected by Home Energy Rating System (HERS) certified HERS Raters (Raters) by comparing the energy use of the as-built home to an identical home that is built to the minimum energy code.

For the Plan, the Company is proposing to add tiered Rater incentives and bonus incentives for high performance building certifications. We detail these more specifically below.

Additionally, the Company plans to add a component to support energy code compliance once the State residential energy code advances. The Company plans to proactively support jurisdictions to comply with the latest building codes within the residential new construction sector. The Company, in coordination with peer gas and electric utilities throughout the state, will give those communities the tools to improve compliance with updated codes and ultimately help them reach their energy performance and economic development goals. This support will be designed to address current gaps in code adoption across the state including: a lack of resources, lack of knowledge, and opposition to increasing code standards.

<u>Eligibility/Qualification for Participation</u>
To qualify for rebates, homes must be built in the Company's service territory and have the Company's gas or electric service. Homes that heat with natural gas or exclusively with electricity provided by the Company are eligible for full incentives. Homes with electric service from the Company but do not have exclusively electric heat are eligible for electric-only homes prescriptive rebates. Homes must be entirely new construction; additions and 'gut remodels' do not qualify. Communities statewide are eligible to receive support from the Company, and its peer utilities that elect to participate, in complying with advancing residential energy code minimums.

Qualifying Upgrades/Measures
Qualifications are based on the type and scope of service provided by Xcel Energy:

- Homes with heating fuel provided by the Company must be at least 10 percent BTC to qualify for performance-based incentives. Homes built more than 10 percent BTC with electric service from the company and heating fuel from another provider are eligible for a flat incentive.
- Additional prescriptive rebates are available for refrigerators, radon fans, clothes washers and dryers, AC Rewards-eligible thermostats, and heat pump water heaters if the fuel provided matches the fuel saved. Prescriptive rebates are in addition to performance rebates; to be eligible, homes still must be at least 10 percent BTC.
- Homes that meet either ENERGY STAR® version 3.2 or ENERGY STAR NextGen requirements are eligible for a bonus incentive.

Energy Codes:
The Company will directly support code compliance services in its natural gas and electric service territories. Code compliance support will be offered to all participants in building trades who could benefit. Examples include designers, architects, builders, and trades, and code officials. Support will be delivered in various channels. These include webinars, recorded sessions, classroom sessions, on-site trainings, one-on-ones, and other trainings as needed.

Rebates
Rebates will be paid according to upgrade type and cost in the schedule below:

Measure	Rebate amount
Homes with Xcel Energy electric service (without electric Electric-only home without electric primary heat	$100
10-14.999% BTC	$500
15-19.999% BTC	$1,000
20-24.999% BTC	$1,500
25-29.999% BTC	$2,000
30-34.999% BTC	$3,000
35% BTC or greater	$4,000
ENERGY STAR Refrigerator	$15
ENERGY STAR Radon Fan	$20
ENERGY STAR Electric clothes dryer with electric water heat	$40
ENERGY STAR Clothes washers with gas water heat and electric dryer	$20
ENERGY STAR Clothes washers with electric water heat and electric dryer	$40
AC Rewards-eligible smart thermostats	$125
Electric heat pump water heater without CTA-2045 communications port	$400
Electric heat pump water heater with CTA-2045 communications port	$500
ENERGY STAR version 3.2	$250
ENERGY STAR NextGen	$500

Trade Partner Incentives

To encourage participating Raters to consult with their builders to improve build quality, the Company proposes to incentivize Raters based on the home's resulting BTC performance.

Xcel Energy will provide scaled Home Energy Rating System (HERS) rater incentives based on the following table:

Performance Tier	Rater Incentive
<30% BTC	$125
≥30% BTC	$250

Currently, less than one percent of projects in the program receive 30 percent better than code. An incentive will help encourage this better performance. We believe performance BTC is very difficult to game because of modeling software requirements, however the Company will monitor for unusual achievement and perform additional field verification as necessary.

Quality Assurance

Program administrators will perform field reviews of 5 percent of program homes, verifying the information provided by the HERS raters. This includes a full duplication of the HERS rating to ensure consistency and compliance with Program expectations. Program administrators will also perform desk reviews of an additional 10 percent of program homes, or more if individual participating Rating firms warrant additional scrutiny.

Program Changes

Change	Rationale
Increase performance-based rebate amounts	Provide consistent experience throughout Company gas and electric service territory
Increase Rater incentives	Ensure that incentives are consistent with the administrative costs of program support
Remove water conservation measures	Negligible participation
Add tiered Rater incentives	Incentivize Raters to engage builders in the design phase to improve home performance
Add ENERGY STAR v3.2 bonus	Promote the newest ENERGY STAR Homes standard
Add ENERGY STAR NextGen bonus	Promote the newest beneficial electrification and decarbonization ENERGY STAR standard
Add energy codes advancement & compliance support	As the energy code advances, compliance can be accelerated with direct utility support

Budget, Participation and Target Considerations

The program's budgets and electric and gas energy savings targets were determined by cost estimates based on historical program expenses and forecasted participation rates. The main budget drivers include the following:

- Utility Administration: This category funds project planning and implementation along with program management. This includes the payment for the data aggregator serving the program.

- Advertising & Promotion: The program's direct promotion through mass market promotion, energy efficient building practice training, and sales support materials are supported with these funds.
    - New for this Plan will be an opportunity for a builder to be fully reimbursed for training for advanced energy efficiency certifications. Reimbursement will be granted to a building company after completing a home to the certification for which training was received.
- Participant Incentives: These funds cover builder and HERS rater rebates.

The Efficient New Home Construction program defines a participant as a new home that achieves rated building performance that qualifies for an incentive under the program. In cases where a new home is built with multiple dwelling units (e.g., duplexes), the number of participants will equal the number of dwelling units. Participation estimates are based on historical market participation and build volume. The Company's ability to achieve the proposed participation, savings, and budget estimates will be heavily driven by the health of the residential new construction market.

Stakeholder Involvement
The Company will be partnering with numerous stakeholders at the state and local levels to move energy codes forward and drive improved code compliance after advancement.

3. ENERGY EFFICIENT SHOWERHEADS

Program Description
The Energy Efficient Showerheads program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in 2024-2026 triennium. The Energy Efficient Showerhead program provides free 1.5-gallon-per-minute (GPM) high efficiency showerheads, bathroom faucet aerators, and kitchen faucet aerators to help reduce energy costs and water use. The Plan includes the addition of one measure.

Eligibility/Qualification for Participation
The program is available to residential customers who receive natural gas or combination service with Xcel Energy. The program is specifically marketed to single-family homes through email, social media, and direct mail.

Qualifying Upgrades/Measures
The main program offerings are described below.

- Customers who have two bathrooms and have not yet participated in the program or participated more than ten years ago are eligible to receive a kit containing:
    - Two 1.5 GPM high efficiency showerheads;
    - One 1.5 GPM kitchen aerator; and
    - Two 1.0 GPM bathroom aerators.
- Customers who have one bathroom and have not yet participated in the program or participated more than six years ago are eligible to receive a kit containing:
    - One 1.5 GPM high efficiency showerhead;
    - One 1.5 GPM kitchen aerator; and
    - One 1.0 GPM bathroom aerator.

Rebates
Eligible customers are contacted and offered a free kit, valued between $14 and $20 depending on the specific combination of measures. The kit is shipped to customers who respond to the offer within the promotional period. Kit contents may include a combination of showerheads, kitchen and bath aerators, Teflon tape and illustrated installation instructions. Eligible customers may also purchase showerheads and aerators at a discounted rate from the Xcel Energy Store.

Customers responding to the promotional offer must indicate if they have one or two bathrooms in their home and what fuel serves their water heater (gas, electric or unknown).

Trade Partner Incentives
Not applicable.

Quality Assurance
The Company contracts with a third-party vendor to manage all customer responses and distribute the energy-efficient showerheads and aerators. The vendor is a recognized distributor of energy efficiency-related products in the United States. Customer responses are tracked by the provider, given to us following the distribution, and kept in a tracking system to calculate savings.

Program Changes

Change	Rationale
Addition of an in-line shower flow restrictor 1.5GPM	An in-line flow restrictor effectively reduces the flow to an existing showerhead to 1.5gpm allowing customers the option of keeping their existing hardware.

Budget, Participation and Target Considerations
The program budget was developed based upon the expected participation level. Using past program performance as a guide, the cost of the measures, fulfillment, postage, and all necessary marketing efforts were included to develop the budgets.

The main budget drivers include the following:

- Utility Administration – This covers the costs of external fulfillment, web development, rebate costs, project planning, and implementation.
- Advertising & Promotion – The program uses direct mail and email to attract customers. Additional channels may be used.

Each participating customer is counted as one participation. We anticipate an increase in participation as part of our Plan for 2024-2026.

Stakeholder Involvement
Not applicable.

4. HOME ENERGY AUDIT

Program Description
The Home Energy Audit program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Home Energy Audit program is designed to target residential customers and provide a financial incentive by offering an energy audit at a substantially discounted fee.

Eligibility/Qualification for Participation
The Home Energy Audit program is available to the Company's residential customers. The program aims to identify energy efficiency upgrade opportunities and improve energy savings by influencing homeowners' and renters' behaviors through conservation education. The Home Energy Audit program is cross promoted with other programs in the Company's portfolio to increase customer opportunities for energy savings. The program is implemented by a third-party vendor and customers may receive a Home Energy Audit every three years, or upgrade from the Walkthrough audit to a Standard audit within the three-year period.

Customers are asked at the beginning of their visit whether their household income falls below the income guidelines used for the Company's dedicated income-qualified programs. If customers self-identify as meeting these requirements, audit fees are waived.

Qualifying Upgrades/Measures
The program's primary offerings include the following two tiers of audits: (1) Home Walkthrough, and (2) Standard Audit.

Home Walkthrough
The Home Walkthrough begins with the auditor's review and analysis of the customer's billing history and a discussion surrounding any concerns or questions the customer may have regarding home energy usage and related comfort. Next the auditor assesses the home's interior and exterior and provides a review of the top recommendations to the homeowner. This option is a $30 fee to customers; however, an electronic personalized audit report is emailed to the customer highlighting the top recommendations and providing rebate program information.

Standard Audit
The Standard Audit includes all components of the Home Walkthrough audit plus a blower door test and a combustion appliance zone (CAZ) test. The blower door test is conducted in every home and determines how much air a home loses each hour. High rates of air leakage lead to higher volumes of incoming air that must be heated or cooled, increasing energy usage. The CAZ test is performed when atmospherically vented appliances are present. If applicable, the Standard Audit visit will include an infrared scan of walls and ceilings to help evaluate internal structures such as drywall and insulation. This test may show temperature differences to see where insulation is present, missing, or not working effectively. The infrared scan is effective when certain indoor and outdoor temperature differences are met. To qualify for the Home Energy Audit program, a customer must have a single-family home or a 4-unit or less multi-unit building and be a natural gas and/or electric customer. There is a $60 fee for this option.

Rebates
Not applicable.

Trade Partner Incentives
Not applicable.

Quality Assurance
Third-party implementer is responsible for ensuring audit analysis.

Program Changes
The Company is not proposing any changes to the Home Energy Audit program.

Budget, Participation and Target Considerations
The number of customers who complete an audit in the program determines program participation. Historical participation data was used to determine future participation targets and expenses.

The main budget drivers include the following:

- Utility Administration: The budget includes the costs of internal labor and external contract labor to support the program.
- Customer Services: This category represents the costs of the third-party auditors, as well as the payments made by customers for their audits.
- Advertising & Promotion: The program includes a modest promotional budget to steer customers to the audits.

Stakeholder Involvement
The Company partners with CenterPoint Energy to provide Home Energy Audit services to shared customers. In addition, the Company and its third-party vendor engage with local community organizations and leadership to drive awareness and increase adoption of the Home Energy Audit service.

5. HOME ENERGY INSIGHTS

Program Description
The Home Energy Insights (HEI) program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this product as described below in the 2024-2026 triennium.

Home Energy Insights is a free service offered to influence the everyday actions of residential customers in a manner that will help them save energy and money. The program is a behavioral conservation program that consists of several measures that inform customers of how and when they use energy, enabling customers to make behavioral changes that ultimately reduce their utility bill. For the Plan, the Company is proposing to continue to grow HEI and adjust the program to foster further customer knowledge and insight into how they use energy as well as how that energy is impacting costs and the environment. The HEI program utilizes the Departments recommended average savings method for behavioral savings.[27]

[27] Decision, In the Matter of Inclusion of Behavioral Project Savings in Energy Conservation Improvement Programs and Shared Savings Demand-Side Management Financial Incentive Calculations, Docket No. E,G999/CI-08-133, April 26, 2012.

Eligibility/Qualification for Participation

- Home Energy Reports requires participants to have lived in their current residence for at least 12 months. They may also be excluded from the program if they have electrical usage outside the norm, such as solar or EV charging.
- My Energy Portal is available to all residential customers.
- High Bill Alerts is an opt-out program available to all residential electric and gas customers.[28]

Qualifying Upgrades/Measures

The measures within HEI are differentiated by the types of insights delivered to customers and how those insights are delivered. A multi-channel approach to providing information to customers enables the Company to broaden the reach and impact of the program while laying the foundation for future innovation. This enables the Company to continue to offer new and effortless methods for customers to engage with the utility, gain insights into how and when they use energy and be directed to other programs that will benefit them. Home Energy Insights includes three different measures targeted at residential customers. We briefly explain these below.

Home Energy Reports

Recipients for Home Energy Reports are selected from Xcel Energy Minnesota residential customers and may "opt out" of the program at any time upon request. Customers who remain in the program are encouraged to answer a series of questions about their home that enables the Company to provide a more accurate assessment of how energy is used on their premise. Participants receive free monthly emails or quarterly printed reports. The individualized reports provide:

- The customer's energy use compared to other customers within the same geographic region who had similar usage profiles and home characteristics (occupancy, heating fuel, square footage, etc.) prior to program enrollment. We are currently working to include solar and electric vehicle (EV) data in the matrix.
- Targeted efficiency recommendations based on home profile data provided by the customer; and
- Other information such as consumption graphs or year-to-year bill comparisons.

Savings are quantified by comparing the energy consumption of the recipient group to that of a non-participating control group. Through the duration of this Plan, the Company may add additional customers to the treatment group as needed to maintain participation levels and achieve energy saving targets.

My Energy Portal

This feature is accessed through customers' Xcel Energy online account and is made available to all residential customers for whom sufficient historical information is available. Through My Energy Portal, customers can:

- Compare their usage to customers in the same geographic region.
- See graphs showing energy consumption by fuel type.
- Earn rewards redeemable for gift cards for energy savings activities.

[28] Customers who are moved to a natural gas AMR meter will be ineligible to receive natural gas alerts. The Company has accounted for this change within our participation numbers for the program.

- Complete a Home Energy Assessment which provides insight into how energy is used in the home as well as more accurate and actionable energy saving recommendations.

In addition, customers with Advanced Meter Infrastructure or "smart" meters can view 15-minute interval data and customers without advanced meters can view usage by bill period.

Savings are quantified by comparing the energy consumption of customers who access the portal to a control group. Due to the opt-in nature of the My Energy Portal, the control group is not drawn from the non-participant population (which would introduce selection bias into the comparison) but is instead composed of customers who opt into the treatment (by accessing the portal) later in the program year. Participants are any residential account holders who have accessed the My Energy Portal website.

High Bill Alerts (HBA)
High Bill Alerts is an opt-out program available to all residential electric and gas customers. This measure notifies customers before the end of a billing cycle that their bill is trending higher than historically normal allowing the customer time to adapt their energy usage or prepare financially for the additional costs.

The Company began replacing natural gas Cellnet meters in Minnesota with natural gas AMR meters in 2023 and will go through the end of 2025. This change in meter type prevents the Company from receiving daily meter readings required to run the projection calculations for the Gas High Bill Alerts. As customers are moved to a natural gas AMR meter, they will be ineligible to receive natural gas alerts. The Company will be sunsetting the Gas High Bill Alerts at the end of 2025 in line with this change. This has no impact on the electric program.

Savings for HBA are deemed. Customers participating in the Home Energy Report measure will be able to receive HBAs. The savings for Home Energy Report will be adjusted to account for those claimed for HBA.

<u>Rebates</u>
Not applicable.

<u>Quality Assurance</u>
Not applicable.

Program Changes

Change	Rationale
Updates will be made to the Home Energy Reports that will include additional electrical usage information.	More data will assist the customer in making informed choices about energy usage.
A new control group will be set up for comparison purposes.	The existing control group has been in the process for several years and is due for retirement and replenishment.
Home Energy Reports will begin to provide a solar and electric vehicle specific report to customers with either rooftop solar or EVs.	Energy usage for EV and solar customers is different than non-solar/EV customers. Incorporating the data allows for a more accurate report and increases the overall distribution to those customers who are currently excluded from the report.
Home Energy Reports will incorporate additional data from AMI meters to enhance the report data when available.	Improved and individualized data will increase customer acceptance and aid in decision making about electrical usage.
Utilization of new communications channels as they become available or are deemed acceptable for the program.	Adapt to new technology and communications channels to improve the customer experience.

Budget, Participation and Target Considerations
The main budget driver for the program is for our third-party service providers. A customer is counted as a participant when they interact with any of the programs. A customer who participates in multiple programs will be counted multiple times. This is accounted for in the algorithm provided by the contracted service provider when calculating savings.

Stakeholder Involvement
Not applicable.

6. HOME ENERGY SQUAD

Program Description
The Home Energy Squad program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Home Energy Squad program offers installation services to electric and gas customers who seek to improve their homes' energy efficiency and comfort as well as lower their utility usage. The program directly installs several moderate-impact, low-cost measures for combination gas and electric customers and for electric-only customers who are natural gas customers of CenterPoint Energy. In addition, and where cost-effective, the program installs fuel-appropriate measures in Xcel Energy electric-only and gas-only territories where the operations vendor has identified potential customers. In addition to the installation of measures, the program offers an enhanced visit type that includes the installation of low-cost measures plus an energy efficiency audit. The program seeks to assist customers' efforts to overcome barriers related to making energy improvements, including customer confusion about product choices, varying costs, and locating qualified installers.

When appropriate, information regarding efficient fuel switching options will be provided to customers to highlight additional option for larger energy efficiency upgrades in their homes.

The Company proposes to modify the measures offered and expand the service to more customers by increasing third-party resources and increasing marketing outreach.

Eligibility/Qualification for Participation

To qualify for the Home Energy Squad program, participants must be a natural gas and electric customer in the Company's service area or an electric-only customer who is a natural gas customer of CenterPoint Energy. Where cost-effective, the program installs fuel-appropriate measures in Xcel Energy electric-only and gas-only territories where the operations vendor has identified potential customers.

Qualifying Upgrades/Measures

Offerings include the following (optional measures are italicized):

Potential Measures
LEDs bulbs -variety styles and wattages
Weather stripping for doors or Attic hatch
Programmable thermostat installed & optimized
Programming of existing thermostat
Smart thermostat with AC Rewards enrollment
High efficiency showerhead(s)
High efficiency faucet aerators
Water heater pipe insulation
Demand response retrofit devices for existing electric resistance water heater
Water heater temperature assessment and setback
Optional measures for customer purchase
Weather stripping for additional doors
Additional Programmable thermostat installed & optimized
Premium Smart thermostat installed & optimized
Advanced Power Strip
Installation of energy efficient dehumidifier

Rebates

The program currently charges a flat fee of around $70 and allows customers to choose from a suite of energy-saving measures as noted above. The program is marketed primarily within the metro area and larger out-state cities.

Quality Assurance

Third-party implementer is responsible for ensuring audit analysis.

Program Changes
The Company is assessing the program for implementation, marketing and outreach changes to drive participation in the program, respond to customer feedback, and encourage larger energy efficiency upgrades.

Change	Rationale
Water Heater Pipe Insulation	Additional energy savings for customers.

Budget, Participation and Target Considerations
The program's budgets were developed based on historical data and future cost estimates. Targets were developed based on historical savings data, attrition, market evaluation, and customer feedback. The main divers of cost include:

- Utility Administration: This category funds program administration costs through third-party vendors and third-party labor for installing supplied energy-efficient measures in customers' homes.
- Promotion & Advertising: This category covers print, broadcast, and interactive advertising, phone and street canvassing, and event promotion.

Participants for the program are customers who have a Home Energy Squad visit or enhanced visit that includes an energy audit.

Stakeholder Involvement
The Company partners with CenterPoint Energy to provide Home Energy Squad services to shared customers. In addition, the Company and its third-party vendor engage with local community organizations and leadership to drive awareness and increase adoption of the Home Energy Squad service.

7. HOME LIGHTING

Program Description
The Home Lighting Program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Home Lighting is designed to target residential and/or small business electric customers and provide financial incentives for energy-efficiency LEDs. The Home Lighting program offers customers discounted prices on high efficiency Light Emitting Diode lamps (LEDs) at participating retailers. LEDs are an easy, low-cost way for customers to save energy and reduce their monthly electric bills.

Home Lighting has historically been the largest contributor to our energy efficiency portfolio, but due to the new Federal legislation[29] that requires general service lamps to have a minimum of 45 lumens per watt, the savings potential for the most popular bulbs in the program has dropped dramatically. To counteract the savings, drop due to the new 45 lumens per watt baseline, the Company is proposing to expand the qualifying bulb list to include nightlights, connected bulbs,

[29] Federal legislation includes the 2007 Energy Independence and Security Act (EISA) that adjusted baselines for lighting technologies.

holiday lights, and new fixtures to help make up for some of the savings lost. The program remains to be cost-effective even with the new baseline.

Eligibility/Qualification for Participation

The Company motivates customers to purchase LEDs by offering in-store retail discounts. The discounts are provided through collaboration with bulb manufacturers and retailers. The discount varies depending on the type of bulb as well as the manufacturer/retailer partner. There is no mail-in rebate form, making it easy to participate. Incentives are paid upstream, and the discounts are passed on to the customer at the point of sale. The Company partners with retailers such as Home Depot, Walmart, Costco, Ace Hardware, Lowe's, Dollar Tree and Salvation Army. The Company also offers discounts through our online marketplace option.

The Company uses a Request for Proposal (RFP) process to select participating retailers and to enable partnerships with a variety of retailers (including big box, mass merchandiser, hardware stores and discount stores) which helps to ensure optimal pricing and reduces free ridership. The Company uses a third-party to implement the RFP and to help manage the program. The implementer is primarily responsible for tracking product sales details, including the location, types and quantities of bulbs sold each year and calculating the energy savings.

Qualifying upgrades/measures

- LED General Service Lamps (GSL): This category includes the bulbs as defined by the Department of Energy's 10CFR Part 430 Energy Conservation Program definition for General Service Lamps.
- LED General Service Lamps - Specialty: This category includes bulbs that are not defined as a "regular" GSL per the Department of Energy's definition mentioned above.
- LED Fixtures: This category includes retrofit kits and other fixtures.
- LED Connected Bulbs: This category includes smart standard and reflector bulbs.
- TLED: This category includes LED linear tubes.
- LED Nightlight: This category includes LED nightlights.
- LED Holiday Lights: This category includes holiday light strings.

Rebates

Rebates will be paid according to upgrade type and cost in the schedule below:

Measure	Average Rebate Amount
LED General Service Lamps	$1.37
LED General Service Lamps - Specialty	$1.50
LED Linear Tubes (TLEDs)	$2.50
LED Nightlights	$2.00
LED Holiday Lights	$2.00
LED Fixtures	$2.07
LED Connected Bulbs	$2.00

The rebate discount varies depending on the type of bulb as well as the manufacturer/retailer partner and can change throughout the year.

Quality Assurance
Not applicable.

Program Changes

Change	Rationale
The new TRM baseline of 45 lumens per watt has been applied to the technical assumptions for the bulbs affected.	Implement the MN TRM (and federal) guidelines.
Added nightlights, connected bulbs, holiday lights MR, R20, and fixtures to the product mix.	Include additional energy savings options in the portfolio.

Budget, Participation and Target Considerations
The energy savings, participants and budget target for the product was derived by reviewing the market potential and historical sales data, while considering new technologies, available retail channels and participating customer segments.

The main budget drivers include the following:

- Participant Incentives: includes the discounts offered at retail stores as well as bulbs distributed at community/sporting events
- Advertising & Promotion: includes costs for home lighting specific advertising campaign as well in store signage displays and fees for participating in community/sporting events
- Utility Administration: includes program administrator labor to manage the program

Stakeholder Involvement
Not applicable.

8. INSULATION REBATE

Program Description
The Insulation Rebate program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Insulation Rebate program offers prescriptive electric and natural gas rebates to customers who upgrade insulation and air-sealing in their homes. The program captures electric and natural gas savings on existing single-family and eligible multi-unit homes that professionally install insulation and air-sealing measures. Customers must select a contractor who is registered for the residential insulation rebate program. In recognition of the importance of weatherization measures in reducing heating and cooling load of a home, the Company proposes changes to both requirements and rebate levels to increase program participation.

Eligibility/Qualification for Participation
Xcel Energy electric-only customers must use electricity as their main heating source to qualify for the electric only portion of the rebate.

Participating customers must contract for insulation services with a contractor who is registered in the insulation rebate program. Requirements for becoming a registered contractor are:

- Complete an online profile at the trade partner resource center on the Company's website.
- Submit a completed contractor agreement (provided by Xcel Energy)
- Have at least one technician hold at least one of the following certifications:
    - Building Performance Institute (BPI) – Residential Building Envelope Whole Home Air Leakage Control Installer (RBEWHALCI);
    - BPI – Air Leakage Control Installer (ALC); or
    - Xcel Energy approved training.

Air sealing and weather stripping must follow industry-accepted practices for mitigating air leakage. Air sealing must be done in conjunction with attic and wall insulation. Program excludes new residential construction, new additions, insulation of doors, garages, sheds, workshops, basements, mobile homes and other below grade installations. Contractor must conduct pre-job blower door test and a post job blower door test. The results must be included on the front of this form along with pre and post insulation (measured by R-values). The program looks for airtightness, as measured by how many cubic feet of air is being exhausted from the home every minute (denotated as CFM50). A reduction of at least 15 percent in CFM50 must be achieved to receive the air-sealing rebate amount. Homes that do not achieve a 15 percent reduction in CFM50 may not receive the air-sealing rebate, but may receive insulation rebates according to program rules.

Qualifying Upgrades/Measures

The program's main offerings include prescriptive rebates for attic insulation and air-sealing, wall insulation and air-sealing, and airtightness.

Rebates

Rebate	Upgrade Requirements	Rebate Amount
Air Sealing Rebate	Reduce CFM50 by at least 15 percent	40 percent of project cost up to $600
Attic Insulation Rebate	Pre-job R-value of 19 or less and a post-job R-value of 49 or greater	40 percent of project cost up to $1,200
Wall Insulation Rebate	Pre-job must be an empty wall cavity and post-job R-value of 11 or greater	40 percent of project cost up to $1,200

Additionally, the Company will begin to offer a bonus rebate of $600 for customers who install insulation and air sealing first, followed by installation of a qualifying heat pump within two years of installation of the insulation. The bonus will be paid at the same time as the heat pump rebate. Providing this bonus and requiring the completion of the measures in this order promotes best practices for minimizing the heating load of the home, which minimizes upfront costs and bill impacts for the customer, as well as saving energy and peak demand for the utility. The two-year period is intended to allow for time for customers and contractors to address challenges such as availability of funds, equipment, and labor.

Trade Partner Incentives

Not applicable.

Quality Assurance
As noted above, insulation trade partners are required to have BPI certification. BPI certification verifies installers have knowledge of industry standards and best practices.

Program Changes
The Company is proposing the following changes:

Change	Rationale
Increased rebates for Attic Insulation, Wall Insulation and Air Sealing measures	Supports identified need by Stakeholders to increase the efficiency of homes
Bonus rebate for participation in envelope measures and heat pumps within two years	Supports efficient homes and equipment sizing for heat pumps.
Air Sealing requirement with attic or wall insulation	Air Sealing when combined with insulation maximizes comfort and savings in a home.

Budget, Participation and Target Considerations
The program's budgets and electric and gas energy savings targets were determined based on historical program performance and an estimate of market potential.
Participation is based on number of homes served as part of the program.
Marketing dollars focus on cross-marketing opportunities with other programs and social media, and other proven cost-effective strategies for this program.

The main budget drivers include the following:

- Utility Administration: This category funds program planning and implementation, channel management and rebate processing.
- Advertising & Promotion: The program utilizes social media, contractor training and cross-utility marketing to promote the program and uses direct and indirect promotions such as community outreach events in partnership with other electric and natural gas rebate programs.
- Participant Rebates: These funds cover the costs of customer rebates.
- Measurement & Verification: The program uses these funds to perform verification of submitted paperwork.

Stakeholder Involvement
The Company is a member of the Minnesota Building Performance Association and the MN Blue Flame Natural Gas Association to help advance and promote the program.

9. LAMP RECYCLING

Program Description
The Lamp Recycling program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Lamp Recycling is designed to target residential and business customers and encourages them to use LEDs (through our Home Lighting Program) and provides education on how to dispose of spent fluorescent, HID and LED bulbs properly to ensure that the mercury from fluorescents and HID lamps does not get into the environment. This program is offered consistent with Minnesota Statute 216B.241, Subd 5. The Plan includes the consolidation of lamp recycling program to encompass both residential and business lighting as the program is the same for both customer segments.

Eligibility/Qualification for Participation
The Lamp Recycling program targets all customer classifications per the statute. a

Qualifying Upgrades/Measures
The program's main offerings include the following:

- Free compact fluorescent light (CFL) bulb recycling at participating local hardware stores and partnering county hazardous waste facilities.
- Coupons for 50¢ off the recycling fee for each fluorescent tube and HID bulb. The coupons are available at participating hardware stores and on the Company's website.
- Education on ways to dispose of LEDs.

Quality Assurance
Our fluorescent/HID recycling partner follows all applicable regulations and processes when recycling the bulbs to ensure mercury does not get into the environment.

Rebates
Not applicable.

Trade Partner Incentives
Not applicable.

Program Changes
The Company is not proposing any changes to the Lamp Recycling program.

Budget, Participation and Target Considerations
The budget was developed based on historical spending and the expected number of bulbs to be recycled in the coming years.

The main budget drivers include the following:

- Customer Services: This covers the cost of the third party to administer the program. We expect that the budget will decrease annually due to an anticipated decline of bulbs needing to be recycled each year, as fluorescents exit the marketplace and are replaced with longer lifetime LEDs.
- Utility Administration: This provides funds for internal labor and program implementation.

Stakeholder Involvement
Not applicable.

10. REFRIGERATOR & FREEZER RECYCLING

Program Description
Refrigerator & Freezer Recycling was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Refrigerator & Freezer Recycling product is designed to decrease the number of inefficient refrigerators, freezers, air conditioners, and dehumidifiers in the Company's service territory in an environmentally safe and compliant manner and, by doing so, achieve electric energy savings and peak demand reduction. Customers receive an incentive plus free pickup and disposal of their operable, inefficient refrigerator and freezer. In addition, air conditioners and dehumidifiers are picked up and recycled for free with no rebate. A third-party implementer administers the product, including customer scheduling, pickup, recycling, and rebating. This product is primarily marketed through email, direct mail, bill onserts, online/social media, and community outreach. In this Plan, the Company is making no additional changes to the current offering.

Eligibility/Qualification for Participation
The program is limited to residential electric customers in Xcel Energy's service territory. In order to verify eligibility, customers are required to have an active billing account that is linked with the premise.

All refrigerator, freezer, room air conditioner, and dehumidifier units must meet the following requirements to qualify for this product:

- Must be operational. "Operational" is defined as in working order. Refrigerators must be capable of cooling; freezers must be capable of freezing.
- Refrigerator/Freezer must be plugged in the night before the pick-up date (customer will receive a call from the implementer, reminding them to do this). This is to ensure full operation (cooling for a refrigerator; freezing capability for a freezer) when inspected at the time of pick-up.
- Refrigerator/Freezer must be no smaller than 10 cubic feet or no larger than 30 cubic feet.
- There will be a limit of two refrigerators and/or freezers per household per year.
- Room air conditioners and dehumidifiers may be picked up if the third-party implementer is already at a customer's home to collect a refrigerator or freezer.

Qualifying Upgrades/Measures
The program has five measures total:

- Primary Refrigerator: Used as the primary unit in the home at the present time
- Secondary Refrigerator: Used as a secondary unit for at least two months prior to pick up
- Freezer: Used separately from the primary refrigerator and is a standalone unit.
- Room AC: Used to cool a single room or small space
- Dehumidifier: Used to reduce the level of humidity in a single room or small space

Rebates
Incentives will be given for each Primary Refrigerator, Secondary Refrigerator, or Freezer. The rebate amount can change at any time. Room AC and Dehumidifier units will be picked up for free while the implementer is at the premise, but no incentive will be given.

Measure	Rebate Amount
Primary Refrigerator	$50
Secondary Refrigerator	$50
Freezer	$50
Room AC	N/A
Dehumidifier	N/A

Trade Partner Incentives
Not applicable.

Quality Assurance
The Company is a proud partner in the EPA's Responsible Appliance Disposal (RAD) Program. This program goes above and beyond federal requirements to make sure refrigeration appliances are disposed of in a way that will protect Earth's climate and ozone layer. The Company requires the third-party implementer to be a RAD partner and comply with all local, state, and federal requirements, including maintaining all permits and license required for any facilities, equipment and personnel.

Program Changes
The Company is not proposing any changes to the Refrigerator & Freezer Recycling program.

Budget, Participation and Target Considerations
The target market consists of customers who are disposing of their functioning refrigerator and/or freezer. These customers generally have a single-family home with two or more individuals in the household.

The program's participation, energy savings levels, and budget were determined from historical program performance and costs per participant. The main budget drivers include the following:

- Utility Administration: The program uses a third-party vendor to implement the program and perform necessary fulfilment activities.
- Participant Incentives: The program pays customer rebates with these funds.
- Promotion & Advertising: This effort includes but is not limited to email, direct mail, bill onserts, online/social media, and community outreach.

Stakeholder Involvement
The Company will continue to work with our third party implementor to ensure these units are properly recycled following RAD requirements.

11. RESIDENTIAL HEATING & COOLING

Program Description
The Residential Heating and Cooling program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Residential Heating and Cooling program is designed to target residential customers and provide prescriptive financial incentives for space heating, space cooling, and water heating equipment. For the Plan, the Company is proposing to add efficient fuel-switching measures for heat pumps and heat pump water heaters.

The Company will coordinate with other utilities to offer efficient fuel-switching rebates, including tools such as a joint application and marketing efforts. For heat pumps, the Company will claim the cooling savings and pay a cooling energy efficiency rebate for the upgrade if the customer receives electric service from the Company and claim the heating savings and pay a heating efficient fuel switching rebate, using gas efficient fuel switching dollars for the upgrade if the customer receives gas service from the Company. For heat pump water heaters, the Company will only claim savings if the Company provides gas service and will pay that rebate as an efficient fuel switching rebate, using gas efficient fuel switching dollars.

The Company believes that substantial rebates for heat pumps and heat pump water heaters are needed to move the market and that consistency is critical for driving customer and contractor adoption of these technologies. In instances where the gas utility does not offer an efficient fuel switching rebate or offers a rebate not sufficient to move the market, the Company will provide a supplemental efficient fuel switching rebate using electric efficient fuel switching dollars, so that the customer would receive the same total rebate as if the customer received electric and gas service from Xcel Energy.

These measures are also available for customers replacing electric resistance equipment, in which case the Company will claim electric savings and pay the full rebate, and the customer must receive electric service from the Company.

The Company will also offer a bonus electric energy efficiency rebate of $600 for customers who install insulation and air sealing first, followed by installation of a qualifying heat pump within two years of installation of the insulation. The bonus will be paid at the same time as the heat pump. Providing this bonus and requiring the completion of the measures in this order promotes best practices for minimizing the heating load of the home, which minimizes upfront costs and bill impacts for the customer, as well as saving energy and peak demand for the utility. The two-year period is intended to allow for time for customers and contractors to address challenges such as availability of funds, equipment, and labor.

Eligibility/Qualification for Participation
Customers must have residential service.[30] Only new equipment is eligible for a rebate. Rebates must be submitted by September 30 of the year following the invoice date.

[30] The fuel provided by Xcel Energy will dictate the rebate available, e.g., customers receiving gas service from Xcel Energy can receive gas energy efficiency and gas fuel-switching incentives.

Qualifying Upgrades/Measures

Air Conditioner: The customer must install a new air conditioner of up to 5.4 tons. At a minimum, the condenser and coil must be replaced. The customer must use a participating contractor for the installation, and the contractor must install the air conditioner according to the Company's Quality Installation Guidelines. Equipment which is listed on the Air-Conditioning, Heating, and Refrigeration Institute (AHRI) directory and meets higher qualifying efficiency levels qualifies for higher rebates.

Natural Gas Furnace: The customer must install a new high-efficient natural gas furnace. The equipment must be listed on AHRI. Equipment which meets higher qualifying efficiency levels qualifies for higher rebates. Rebates for existing homes are higher than rebates for new homes.

Natural Gas Boiler: The customer must install a new natural gas boiler with a minimum AFUE of 95%. The equipment must be listed on AHRI.

Natural Gas Storage Water Heater: The customer must install a new high -efficient natural gas storage water heater. The equipment must be listed on AHRI or ENERGY STAR®.

Natural Gas Tankless Water Heater: The customer must install a new natural gas tankless water heater with minimum efficiency levels. The equipment must be listed on AHRI or ENERGY STAR®.

Heat Pump Water Heater: The customer must install a new heat pump water heater. The equipment must be listed on AHRI or ENERGY STAR equipment, which is compatible with the Company's demand management programs, based upon a list of qualifying equipment maintained by the Company, is eligible for a higher rebate.

Connected Thermostat: The customer must install a connected thermostat which is ENERGY STAR® certified and is compatible with the Company's AC Rewards measure, based upon a list of qualifying equipment maintained by the Company.

Dehumidifier: The customer must install an ENERGY STAR® dehumidifier.

Air Source Heat Pump: The customer must install a new air source heat pump of up to 5.4 tons. At a minimum, the condenser and coil must be replaced. The customer must use a participating contractor for the installation, and the contractor must install the heat pump according to the Company's Quality Installation Guidelines. The heat pump must have a minimum qualifying efficiency of 15.2 SEER2 (Seasonal Energy Efficiency Ratio), 9.6 EER2 (Energy Efficiency Ratio), 7.8 HSPF2 (Heating Seasonal Performance Factor).

Cold Climate Air Source Heat Pump: The customer must install a new air source heat pump of up to 5.4 tons. At a minimum, the condenser and coil must be replaced. The customer must use a participating contractor for the installation, and the contractor must install the heat pump according to the Company's Quality Installation Guidelines. The heat pump must have a minimum qualifying efficiency of 15.2 SEER2, 10 EER2, 8.1 HSPF2, 1.75 COP at 5 degrees, and a maximum capacity at 5 degrees Fahrenheit that is at least 70 percent of the rated capacity at 47 degrees Fahrenheit.

Mini-Split Heat Pump: The customer must install a new mini-split heat pump with a minimum qualifying efficiency of 15.2 SEER2, 9.3 EER2, 8.5 HSPF2.

Cold Climate Mini-Split Heat Pump: The customer must install a new mini-split heat pump with a minimum qualifying efficiency of 16 SEER2, 9.3 EER2, 9.5 HSPF2, 1.75 COP at 5 degrees, and a maximum capacity at 5 degrees Fahrenheit that is at least 70 percent of the rated capacity at 47 degrees Fahrenheit.

Ground Source Heat Pump: The customer must install a new ground source heat pump with a minimum qualifying efficiency of 16 EER2 and 3.3 COP at 5 degrees.

Rebates

Rebates will be paid according to upgrade type and cost in the schedule below:

Measure	Rebate
Central AC, QI Only	$150
Central AC, 15.2 SEER2/12 EER2	$450
Furnace, Existing Home, 95% AFUE	$200
Furnace, Existing Home, 96% AFUE	$300
Furnace, Existing Home, 97% AFUE	$400
Furnace, New Home, 95% AFUE	$100
Furnace, New Home, 96% AFUE	$150
Furnace, New Home, 97% AFUE	$200
Boiler, 95% AFUE	$400
Storage Water Heater	$75
Tankless Water Heater	$250
Heat Pump Water Heater	$400
Heat Pump Water Heater (demand management compatible)	$500
Dehumidifier	$35
Connected Thermostat	$50
Air Source Heat Pump	$1,600
Cold Climate Air Source Heat Pump	$2,000
Mini-Split Heat Pump	$1,600
Cold Climate Mini-Split Heat Pump	$2,000
Ground Source Heat Pump	$500/ton

Trade Partner Incentives

The program offers trade incentives equivalent to 10 percent of the rebate amount for the following measures: Heat Pump Water Heater, Heat Pump Water Heater (demand management capable), Air Source Heat Pump, Cold Climate Air Source Heat Pump, Mini-Split Heat Pump, Cold Climate Mini-Split Heat Pump, Ground Source Heat Pump. These technologies are still early in their adoption curve in the market and require additional support for trade partners.

Quality Assurance

To be eligible for the AC and ASHP program incentives, customers must use a participating

contractor for the installation. Participating installation companies have at least one installer who has taken and passed an online QI assessment. Xcel Energy also accepts, but does not require, North American Technician's Excellence (NATE) certification to become a participating contractor. A list of participating contractors is available to customers from Xcel Energy.

Program Changes

Change	Rationale
Rebate increases for heat pumps.	Significant upfront cost, needed to move market.
New qualifying efficiencies for heat pumps.	Add metrics related to heating savings, better align with rebates from external groups (federal, state, etc.)
Expanding heat pumps to efficient fuel-switching applications	Consistent with new ECO guidance and efforts to reduce carbon.

Budget, Participation and Target Considerations
The budget for the Residential Heating and Cooling program was developed based on historical costs per participant for the program and was estimated according to expected participation. Taking into consideration the economic state of the market, the program targets reflect steady participation and a decrease in the promotional budget to provide a cost-effective program for our stakeholders.

The main budget drivers include the following:

- Utility Administration: This category funds administration labor, materials, postage and rebate processing labor and measure and verification.
- Advertising & Promotion: The program utilizes low-cost promotions including bill onserts, email marketing, direct mail marketing, social media, blogs, and Trade Partner outreach.
- Participant Incentives: These funds customer rebates for qualifying products.

Stakeholder Involvement
Xcel Energy will continue to work closely with CenterPoint Energy and Center for Energy and Environment regarding development and implementation of its heat pump offerings, particularly for efficient fuel-switching applications.

12. SCHOOL EDUCATION KITS

Program Description
The School Education Kits product was included in Xcel Energy's previous Triennial Plan for 2021-2023 and received approval for modifications (on January 31, 2022 and September 22, 2022 in Docket No. G,E002/CIP-20-473) to the program to include such offerings as specialty kits. The Company proposes to continue this project as described below in the 2024-2026 triennium.

The School Education Kits program offers a multi-component kit that combines classroom activities and in-home projects to fifth or sixth grade students and their parents to teach them about energy and water conservation. The program targets schools within our Minnesota service territory

that receive both electric and natural gas service and to those teachers and students who enroll in the program through the third-party implementers. In this Plan, the Company is proposing no additional changes to the School Education Kits but will begin to account for those kits impacting an income-qualified population as detailed below.

This prescriptive program provides direct impact savings, helps to build awareness of energy conservation at a young age, and provides energy and water savings to customers of various income levels. Traditional marketing tactics are not needed since schools are selected to ensure maximum outreach. Once schools are selected and enrolled, a third-party implementer recruits and trains the teachers, provides all materials, distributes the kits, and continues ongoing support if the teachers have questions while implementing the program. Classroom support is available via fax, phone, email, by a toll-free 800 number, and online through the third-party vendor's website.

Teachers can enroll through a variety of channels. If teacher response is insufficient, the third-party provider implements contingencies for additional outreach. Upon enrollment, teachers dictate to the third-party when in the school year they would like to use the program materials and provide accurate enrollment numbers. The third-party staff remains in contact with teachers throughout the school year to assist teachers as needed, as well as to ensure return of the surveys that provide Measurement and Verification results. It can take up to three months to receive the results from each elementary school depending on when the teachers begin the activity.

Eligibility/Qualification for Participation

Schools qualifying for the program are within the Company's Minnesota service territory and receive electric and natural gas service or electric service with CenterPoint Energy as the gas service provider.

The Company proposes to include the program costs for schools with an income qualifying population towards the Company's low-income spending requirements. The third-party vendor collects demographic data on each school to determine income eligibility. School kits that are distributed to income qualified schools would be tracked, and costs associated with the kits counted towards the low-income spend requirements.

Qualifying Upgrades/Measures

The program's main offering is the "Take Action Kit" containing the following:

- 11-Watt LED Lights
- 9-Watt LED Light Bulbs
- LED Night Light
- Natural Resources Fact Chart
- Digital Water/Air Thermometer
- FilterTone Alarm
- Kitchen Aerator (1.5 GPM)
- Bathroom Aerator (1.0 GPM)
- Energy Efficient Showerhead (1.5 GPM)
- Teflon Tape
- Flow Rate Test Bag
- Parent Comment Card

Rebates
The School Education Kit program and energy saving devices are free to participating students and community organizations.

Quality Assurance
The third-party implementer surveys classrooms for measurement and verification results.

Program Changes
The Company is not proposing any changes to the School Education Kits program but will begin to account for those kits impacting an income-qualified population.

Budget, Participation and Target Considerations
The program's participation, electric and natural gas energy savings targets, and budgets were estimated using historical program results and proposed third-party costs.

The main budget drivers include the following:

- Utility Administration: This funds the program's internal labor and external fulfillment by our third-party implementer, which includes project planning, turn-key coordination, implementation, marketing, tracking of installations/surveys, call center and online help centers, measurement and verification of the program, and enrollment/reporting.
- Participation Incentives: This category covers the costs of the kit contents to participants.

Stakeholder Involvement
The School Education Kits project works with the Company's Community Affairs department, Account Management group, and local community non-profits to identify schools to participate in the program. Additional opportunities are sought for cross promotion, outreach, or cost sharing.

13. WHOLE HOME EFFICIENCY

Program Description
The Whole Home Efficiency program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. In this Plan, the Company is proposing to increase incentives and modify the incentives offered.

The program offers prescriptive and performance-based electric and gas rebates to residential customers who take a whole-house approach to improving the energy efficiency of their existing, single-family homes and eligible multi-unit homes. The concept of the product is to provide the customer with one-stop for all of their home efficiency needs. Program participation begins with an energy audit as a prerequisite which is then used to generate a list of potential improvements from which the customer can choose to install. Additionally, the program provides customers personalized advisory services from beginning to end of their project to assist with prioritizing improvements and connecting them to contractor resources. The program also offers rebates including potential bonus rebates to offset upfront project costs, and independent verification of the improvements after completion. Due to the emphasis on weatherization measures along with the

inclusion of EFS measures and advisory services, the program is well suited to providing a potential pathway for those customers who wish to fully electrify their home.

Eligibility/Qualification for Participation

Any customer with electricity and natural gas provided by the Company may participate in Whole Home Efficiency. An energy audit through Xcel Energy or by a company-approved contractor must precede the project and must include a blower door test. The program is marketed primarily through Xcel Energy's Home Energy Squad and Home Energy Audit programs and additionally through contractors with the objective of helping customers find and prioritize energy efficiency improvements in their homes.

Qualifying Upgrades/Measures

Upon completion of the energy audit, a customer receives a list of potential upgrades such as:

- air leakage reduction
- attic and wall insulation
- heating and cooling systems, including heat pumps
- water heaters, including heat pump water heaters
- clothes washers
- refrigerators

Rebates

Incentives for building envelope (air sealing and insulation) performance measures will be based on the deemed energy savings comparing ex-ante and ex-post building envelope conditions and are based on savings achieved. To receive rebates, customers are required to install either attic insulation or comprehensive wall insulation and air sealing. Customers then need to select at least one other improvement, listed on the Whole Home Efficiency application. Customers will receive the standard prescriptive rebate for all installed measures with the exception of the envelope measures. Customers must use company-approved contractors for these installations, they are included on the list of approved contractors on the Company website. Customers are eligible for rebates for a Whole Home Efficiency project within two years of the energy audit. Customers may receive additional bonus rebates for installing prescriptive measures. Customers are not eligible to receive rebates from Whole Home Efficiency and other programs for the same improvement. All improvements are verified by the program implementer during the final inspection.

Trade Partner Incentives

The program offers trade incentives equivalent to 10 percent of the rebate amount for the following measures: Heat Pump Water Heater, Heat Pump Water Heater (demand management capable), Air Source Heat Pump, Cold Climate Air Source Heat Pump, Mini-Split Heat Pump, Cold Climate Mini-Split Heat Pump, Ground Source Heat Pump. These technologies are still early in their adoption curve in the market and require additional support for trade partners.

Quality Assurance

Third-party implementer is responsible for ensuring measurement and verification.

Program Changes

Program changes are reflective of updates in individual programs.

Change	Rationale
Increased rebates for heat pumps	Significant upfront cost, needed to move market
Increase time for customers to complete improvements to two years	Allow more time for customers to plan and budget for improvements
Expanding heat pumps to efficient fuel-switching applications	Consistent with new ECO guidance, reduce carbon
Removing ENERGY STAR® Connected Thermostats enrolled in AC Rewards measure	Historic low customer participation
Removing ENERGY STAR® dehumidifiers measure	Historic low customer participation
Bonus rebate for participation in envelope measures and Heat Pumps within 2 years	Industry focus on efficient fuel switching and right sizing equipment
Air Sealing requirement with Attic or Wall insulation	Air Sealing, when combined with insulation maximizes comfort and savings in a home.
Increased envelope measure rebates	Supports efficient homes and equipment sizing for heat pumps.

In addition, the program will be adding specific incentives for increased envelope measures. These are the only rebates that will be provided differently than the prescriptive rebates normally provided as part of the program offering.

Increased envelope measure rebate amounts:

Measure	Combo Customer $/Dth	Non-Xcel Energy heat source. Electric customer with AC $/kWh
Attic Insulation	$90.00	$0.45
Wall Insulation	$90.00	$0.45
Air Sealing	$90.00	$0.45

Budget, Participation and Target Considerations

The budget, targets and participation were developed in collaboration with the program implementer and based on previous years' participation with an anticipated increase.

The main budget drivers include the following:

- Utility Administration: This funds the program's internal labor and implementer contracts.
- Advertising and Promotion – The program is marketed through advertising and support materials, including brochures and welcome kits.
- Participant Incentives – This category covers rebates and trade incentives.
- Measurement & Verification – The program funds the Implementer to inspect 100% of projects completed and to do the exit blower door test.

Stakeholder Involvement
The program implementer is responsible for program promotion support, sign-ups, customer follow-up, verification visits, paperwork administration, contractor management and program tracking. The Company is also exploring targeted marketing by collaborating with communities in Xcel Energy's Partners in Energy program.

BUSINESS SEGMENT

Overview

The Business Segment is a portfolio of offerings assembled to reach commercial and industrial customers through a combination of study analysis to identify low-cost opportunities for energy efficiency as well as incentives offered to help lower the cost of high efficiency equipment.

For the 2024-2026 triennial period, the Company continues many of our successful business programs, while combining certain programs for customer ease, updating rebates where necessary, and broadening our offerings to encompass new technologies. In addition, we are going beyond the traditional scope of our Business Segment by incorporating EFS and load management (specifically load shifting) as the Company and our customers look towards the future of energy.

Programs

Our program portfolio encourages customers to choose high efficiency options ranging from a simple lighting fixture replacement to the inclusion of energy efficiency in the design of an entire new facility. Study programs assist customers whether they need to identify simple energy efficiency opportunities or are considering a complex manufacturing process change. Holistic programs foster a deeper level of customer commitment to energy efficiency and engage customers in long term energy planning intended to change the way customers look at energy and conduct their business.

Targets

With a portfolio of 17 programs, the business segment accounts for over 50 percent of our total electric and natural gas energy savings in this Plan. Our Business Segment targets for this Plan period are outlined in the following table.

Table 47a: 2024 Business Segment

	Electric				Natural Gas		
2024	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Business Education	20,191	$242,300	-	-	2,562	$30,750	-
Business Energy Assessments	453	$4,372,896	4,601	28,011,279	95	$418,929	27,552
Business New Construction	320	$11,757,153	13,859	65,579,288	32	$557,897	50,009
Compressed Air Efficiency	172	$979,183	1,291	9,016,793	-	-	-
Custom Efficiency	37	$1,162,191	859	6,115,321	9	$202,236	20,518
Data Center Efficiency	91	$1,236,777	922	15,070,217	-	-	-
Efficiency Controls	85	$629,119	320	8,206,755	24	$64,744	7,945
Empower Facilities	24	$964,662	-	-	6	$107,185	-
Empower Intelligence	386	$539,517	-	2,697,511	2	$53,947	61
Foodservice Equipment	54	$61,857	45	319,386	66	$94,749	5,536
HVAC+R	2,799	$ 4,121,836	6,069	34,073,550	692	$1,638,749	133,232
Lighting Efficiency	7,414	$11,951,825	18,975	115,021,767	-	-	-
Load Strategy Analysis	46	$ 745,263	622	6,455,982	6	$ 30,917	5,341
Multi-Family Building Eff.	7,920	$2,279,319	477	3,314,283	1,293	$859,841	32,216
Non-Profit Energy Savings	210,924	$1,711,680	992	9,096,643	110,143	$922,649	158,528
Process & Commercial Eff.	969	$11,655,440	20,298	124,477,870	54	$1,415,421	165,470
Self-Direct	1	$179,372	221	1,000,327	-	-	-
Business Segment Total	**251,886**	$ 54,590,390	**69,551**	**428,456,974**	**114,984**	**$4,069,972**	**606,408**

Table 47b: 2025 Business Segment

	Electric				Natural Gas		
2025	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Business Education	20,191	$254,415	-	-	2,562	$33,000	-
Business Energy Assessments	538	$5,251,876	6,396	38,87,419	94	$435,924	29,859
Business New Construction	258	$9,777,425	12,135	60,945,779	37	$702,499	70,664
Compressed Air Efficiency	193	$1,094,767	1,625	10,536,355	-	-	-
Custom Efficiency	38	$1,209,943	938	6,290,044	9	$204,178	20,518
Data Center Efficiency	84	$1,191,899	890	14,120,715	-	-	-
Efficiency Controls	104	$728,907	461	9,891,105	29	$70,300	8,918
Empower Facilities	34	$880,689	-	-	6	$97,854	-
Empower Intelligence	414	$601,774	-	2,851,654	2	$65,672	61
Foodservice Equipment	49	$ 62,378	41	292,923	56	$95,657	4,806
HVAC+R	2,802	$4,237,488	6,071	34,119,425	691	$1,513,609	126,624
Lighting Efficiency	7,414	$2,065,388	18,975	115,021,767	-	-	-
Load Strategy Analysis	46	$773,752	622	6,455,982	6	$31,169	5,341
Multi-Family Building Eff.	8,986	$2,541,301	658	4,000,742	1,428	$975,874	43,965
Non-Profit Energy Savings	221,642	$ 1,914,729	1071	9697637	116,233	$1,073,364	183,991
Process & Commercial Eff.	852	$ 10,826,644	18,111	111,825,97	55	$1,399,023	159,026
Self-Direct	1	$ 181,826	221	1,000,327	-	-	-
Business Segment Total	**263,646**	**$ 53,595,201**	**68,214**	**425,867,852**	**121,208**	**$6,698,125**	**653,773**

Table 47c: 2026 Business Segment

	Electric				Natural Gas		
2026	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Business Education	20,191	$267,750	-	-	2,562	$35,050	-
Business Energy Assessments	564	$5,305,310	6,306	36,195,555	104	$443,922	32,034
Business New Construction	262	$10,339,461	14,556	80,667,002	42	$695,185	94,860
Compressed Air Efficiency	207	$1,151,675	1,857	11,164,825	-	-	-
Custom Efficiency	39	$1,259,632	1,017	6,464,768	9	$206,188	20,518
Data Center Efficiency	64	$896,090	650	10,255,381	-	-	-
Efficiency Controls	122	$818,250	579	11,065,001	33	$76,105	9,825
Empower Facilities	58	$545,840	-	-	12	$60,649	-
Empower Intelligence	445	$670,933	-	3,082,869	2	$73,140	61
Foodservice Equipment	45	$64,236	37	260,588	53	$98,206	4,626
HVAC+R	2,806	$4,315,824	6,075	34,207,680	691	$1,468,757	123,345
Lighting Efficiency	7,414	$12,205,974	18,975	115,021,767	-	-	-
Load Strategy Analysis	46	$780,244	622	6,455,982	6	$37,669	5,341
Multi-Family Building Eff.	10,098	$2,774,969	854	5,281,569	1,575	$1,054,868	50,251
Non-Profit Energy Savings	232,898	$2,022,376	1,154	10,328,831	122,666	$1,133,631	210,171
Process & Commercial Eff.	797	$10,515,135	17,183	106,638,985	55	$1,412,754	159,026
Self-Direct	1	$185,298	221	1,000,327	-	-	-
Business Segment Total	**276,057**	**$ 54,118,999**	**70,089**	**438,091,129**	**127,810**	**6,796,124**	**710,059**

Market Analysis

Commercial customers have the highest potential for energy savings within indoor and outdoor lighting, cooling and ventilation, data servers, and refrigeration end-uses. In the industrial market segment, pumps, lighting, compressed air, fans, cooling, and drives show the greatest end-use potential.

Trade allies, end-use equipment vendors, energy services companies, and the Company's Account Managers and marketing team work individually and collaboratively to drive participation in the Business Segment. While coordination of DSM participation by the largest business customers typically requires regular personal communications and site visits, the Company also uses newsletters, customer events, direct mail, email communications, and awareness advertising to reach business customers. A challenge in marketing energy efficiency is that it is not a topic on the top of customers' minds – they are busy managing the core aspects of their businesses, particularly those who do not have dedicated onsite energy managers. Customers tend to focus on purchase price (or "first costs") rather than lifetime costs and are often unlikely to replace equipment prior to failure. Customers may also not be aware of energy efficient equipment and process options available to them when the need arises to make purchase decisions. Yet, opportunities are growing in marketing energy efficiency to customers as awareness on conservation, climate change, and the environment is increasingly creating an affinity for energy-saving actions. To support marketing efforts, the Company employs an integrated approach to marketing communications, where the tactics are designed to work in concert with each other and reinforce key messages over time.

Marketing/Advertising/Promotion

Although sales to the largest business customers typically require personal interaction, the Company also utilizes a variety of tactics and channels, including newsletters, customer events, direct mail, email communications, awareness advertising and social media to build awareness and drive program activity. In this Plan, the Company strives to drive deeper energy savings across the portfolio by expanding our messages in the marketplace. To support its marketing efforts, the Company will employ an integrated approach to communications, where the tactics are designed to work in concert with each other to reinforce key messages over time. We also market our programs as customer solutions to various business segments; focusing on the segments which have significant potential and the segments in which participation is under performing compared to others. Multimedia campaigns are used to provide each segment customized tools and information and to direct them to the most applicable programs in our portfolio.

Policies

The Company has adopted several general policies that guide the implementation of Business Segment programs. Individual programs may follow different policies as noted in the program descriptions. The general policies provide overall management direction; however, they may be modified when warranted and within guidance documented in statute or from the Department of Commerce. The segment-level policies include:

- *Cost-Effectiveness Tests:* All customer projects going through the custom analysis process must pass the Minnesota test with an absolute ratio of 1.0 or greater.
- *Proof of Installation*: All programs require documentation of installation, such as proof of purchase (e.g., invoices) or site verification.
- *Payback Requirements:* Projects must have a payback longer than nine months and cannot exceed the expected lifetime of the equipment.

- *Studies*: Study funding cannot exceed 75 percent of the incremental equipment cost unless otherwise noted in the individual program policies.
- *Influenced Savings*: These savings refer to projects for which the Company played a significant role in the customer's decision to implement an energy efficiency measure, and for which the customer participated in the normal Custom Efficiency project submission process, yet whose cost-effectiveness analysis or payback period failed. For such projects, no rebate is offered for the measure but the Company claims Influenced Savings in order to appropriately account for the Company's efforts and to recognize the often-significant labor investment and/or study costs involved in the project. Influenced savings guidelines are listed below:

    1. Project approval – Must follow program guidelines.
    2. Cost-Effectiveness Tests – Projects must pass the Minnesota and Participant Tests.
    3. Payback – Projects with a payback period of less than nine months may be considered only if they meet all the other Influenced Savings guidelines herein.
    4. Large Projects – Projects with savings of two GWh and greater require separate prereview by Department of Commerce. All other projects will be reviewed as part of the Status Report.
    5. Savings Cap – Influenced Savings claims cannot exceed four percent of the Company's annual achievements.
    6. Documentation – Documentation must be provided to show Xcel Energy's involvement was an important factor in implementing the energy saving project.

- *Study-Driven Credit:* If a customer implements measures identified in a study analysis or assessment, or identified in a study funded by Xcel Energy, and the measure has a payback period of less than nine months or longer than the expected lifetime of the equipment, the customer will not receive a rebate, but the Company will claim those savings as study-driven credit. We believe that our help identifying and analyzing the energy efficiency measures provides influence on the customer's decision to implement those measures. These savings do not count toward Influenced Savings. All programs that fund studies are eligible to claim study-driven credit.
- *Program Incentives*: Custom projects limit rebates to 60 percent of the actual project cost. Prescriptive rebate levels are set based on deemed incremental costs and rebates are capped at 60 percent of actual total project cost; this practice helps ensure we do not pay more than 60 percent of the total cost for a specific project for which the pricing varies from the deemed cost. Bonuses and special offers may increase the rebate cap as a percent of incremental cost, but we strive to ensure that it never exceeds 100 percent.
- *Bundling*: Due to the holistic nature of many of our business offerings, the Company utilizes "bundling." "Bundling" allows customers to identify multiple measures for installation which can then be evaluated together to see if they qualified for a rebate versus each individual

component. This allows measures with too short of a payback for a rebate to be leveraged to drive projects with too long a payback for the customer to install so that both are implemented.

Involvement with Interested Individuals and Entities

The Company continues to regularly meet with many organizations to refine existing programs, shape new programs, and discuss partnership opportunities. These organizations include but are not limited to, other utilities and industry experts such as the Building Owners and Managers Association, Center for Energy and Environment, CenterPoint Energy, Consortium for Energy Efficiency, Enterprise Minnesota, E Source, Midwest Energy Efficiency Alliance, Minnesota Technical Assistance Program and Motor Decisions Matter to name a few. Additionally, we continue to work with several third parties to implement parts of our business portfolio.

1. BUSINESS EDUCATION

The Business Education program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Business Education program is an indirect-impact offering that focuses on creating awareness of energy efficiency and providing business customers with information about what they can do to reduce energy use in their buildings. The program encourages customers to make Xcel Energy their first contact when considering equipment or process upgrades and engages customers to make changes that lower their energy use. It seeks to lower the barriers to the adoption of energy efficiency measures by educating customers and their employees on the impacts of their energy use and offering information on how to take action to achieve long-term energy savings. The program is primarily marketed to small and mid-sized business customers through sponsorships, customer outreach and advertising campaigns. For the Plan, the Company will focus on renewing existing partnerships and building new relationships. In addition, the program employs digital media strategies to drive active engagement in energy efficiency. By continuing to diversify the communication channels, the program increases customer knowledge of energy efficiency options and provides a greater variety of resource options and services.

Program Details

The program's main offerings include the following:

- Customer outreach via sponsorships and events;
- Print and Digital Communications targeted at business/facility decision-makers;
- Sponsorship of seminars and conferences for DSM Business Program Managers to network and present information;
- Direct mail marketing campaigns.

The Business Education program targets a variety of community events, sponsorships, workshops, and business expos to promote energy efficiency rebates and energy conservation strategies to

many business customers. These opportunities allow for in-person, one-on-one customer outreach, which is critical to driving onsite customer leads and program signups.

Program Changes

The Company is not proposing any changes to the Business Education program.

Budget, Participation and Target Considerations

The program's participation targets and budgets were determined by reviewing historical trends and expected future demand for educational material requests, community outreach events and sponsorships.

The main budget drivers include the following:

- Utility Administration: This category represents the labor needed for program planning and implementation.
- Advertising & Promotion: This budget includes funds for printed materials, community outreach events, sponsorships, and digital advertising.

Participation targets were established through the review of historical data from targeted, successful outreach to customer segments and use of multiple channels for delivery of energy efficiency messaging. Participation for the program is defined as any time a customer engages with the program via impression or touch point, whether it be an in-person event interaction or a digital impression.

Stakeholder Involvement

The Business Education program participates in a variety of community-hosted customer outreach events. The program provides displays, staffing, and materials to promote energy conservation and efficiency to attendees.

2. BUSINESS ENERGY ASSESSMENTS

The Business Energy Assessments program was included in Xcel Energy's previous Triennial Plan for 2021-2023. Further, the Commercial Streamlined Assessments program was also included in our previous Triennial Plan. In this Plan, we have combined these programs under Business Energy Assessments to streamline our efforts and reduce customer confusion regarding these two offerings.

The Business Energy Assessments program offers study funding and electric and natural gas implementation rebates to commercial and industrial customers who improve their building performance through an energy assessment. The program is primarily marketed through our account managers, Energy Efficiency Specialists, and approved study providers.

Eligibility/Qualification for Participation

The program offers four types of options for customers under our Assessment Suite to help meet a customers' unique needs. In addition, to help remove barriers to implementation we offer implementation services to help move the project forward through completion.

Assessments Suite

Customers enrolling in the Business Energy Assessments program will receive a whole-building energy analysis. This assessment includes a utility bill analysis, a thorough walkthrough of the entire facility and a list of energy-saving strategies with savings estimates, as well as associated cost and rebate values. The assessment options are listed below:

- Industrial Assessment: Whole-facility assessment for small-to-midsize industrial customers.
- Commercial Streamlined Assessment: An affordable, quick to complete assessment focusing on immediate savings from minor repairs, tune-ups, and free energy-saving equipment installations.
- Building Assessment: An assessment that focuses on optimizing existing equipment as well as prescriptive and custom energy-saving opportunities and applicable rebates.
- Targeted Building Assessment: An assessment that encompasses the same components as the Building Assessment but at a greater depth. A detailed, comprehensive assessment that will be tailored to highly engaged customers that have an expectation of building an ongoing relationship with their study provider and utility.

Implementation Services

The program offers a variety of services that customers may choose from depending on their specific needs to help them implement their projects. Implementation consultation is used to improve the conversion rate on energy-saving opportunities identified in our study offerings. Services may include, but are not limited to:

- Attending internal stakeholder customer meetings to obtain approval;
- Assistance with prioritizing projects;
- Financial analysis of implementing measures;
- Bidding process review;
- Coordination of implementation;
- Verification of installation; and
- Paperwork compilation and rebate submission.

Funding

Participants are eligible for prescriptive and custom rebates for installed and implemented energy-saving opportunities. The program may offer bonuses for the implementation of recommended measures.

In addition, we subsidize assessments and implementation services to encourage customers to move beyond the barriers to participation. Consistent with other custom type projects, we anticipate there will be projects identified through the program that are custom in nature and payback to the customer is less than nine months. The Company claims study-driven credit for these projects.

Qualifying Upgrades/Measures

The program's main offerings include the following:

- Prescriptive rebates for the end-uses rebated in our other prescriptive programs;
- Custom rebates for any energy-saving opportunities eligible for rebates under our other custom programs;
- Operationally focused rebates for implementing recommissioning or building system tune-up measures identified through a study;
- Subsidized assessment options that identify energy-saving opportunities. Customers pay a portion of the assessment cost based on their size;
- Free implementation services to help customers implement energy-saving opportunities; and
- Rebates to off-set the cost of Building Operator Certification training.

Rebates

Incentives are calculated using the existing prescriptive and custom rebate levels.

Trade Partner Incentives

The Business Energy Assessments program follows the trade partner incentive structure for the individual end-use programs.

Quality Assurance

Prescriptive and Custom projects are verified in accordance with the policies of the end-use programs. Implementation of low/no cost measures will be verified by the third-party study providers. The Company continually samples the assessment reports for quality and for relative accuracy of savings estimates. Company personnel typically attend customer review meetings, and assure that the customers' have support for any follow-up questions.

Program Changes

Change	Rationale
Combining Business Assessments and Commercial Streamlined Assessments	To increase efficiencies and customer transparency.
Custom measure added for future EFS and load shifting opportunities.	Optimize customer's usage to produce bill savings and reduce electric system costs.

Budget, Participation and Target Considerations

We determined the program's participation, energy savings targets, and budgets by examining historic participation levels, project and participation cycles, and costs.

The main budget drivers include the following:

- Utility Administration: These costs are driven by marketing, sales, engineering, and external labor resources to support the Company's heavy engagement with the customer, as well as cover the costs of those projects requiring metered verification.
- Customer Service: The Company utilizes third-party resources to deliver the program's identification and scoping phases.
- Participant Incentives: The program has a robust rebate budget due to the size of projects initiated through the Process and Commercial Efficiency program. In addition to standard rebates, Business Energy Assessments offers lucrative bonus rebates for exceeding energy savings and/or implementing projects on a system-wide approach.

Stakeholder Involvement
Customers, trade allies, and other stakeholders are engaged at the project level to gather input regarding best practices, methods, and support for evaluating new technologies.

3. BUSINESS NEW CONSTRUCTION

Program Description
The Business New Construction (BNC) program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The BNC program is composed of three individual offerings including Energy Design Assistance (EDA), Energy Efficient Buildings (EEB) and Code Support. It is primarily designed to provide Commercial & Industrial customers with no-cost consulting services and financial incentives for electric and natural gas energy efficiency projects. These efficiency projects may pertain to new construction, additions to existing buildings, and/or major renovation projects. For the Plan, the Company is proposing to expand the Code Support offering to target building code officials, add bonus rebates for Income Qualified projects, and increase EEB rebates to be more consistent with EDA rebate levels. Specific details are provided below.

Eligibility/Qualification for Participation

Energy Design Assistance
The Energy Design Assistance (EDA) offering provides business customers with energy expertise to encourage energy efficient building design and construction practices. EDA offers real-time energy modeling so the project team can visualize the impacts of their efficiency choices. The program encourages an integrated approach to the design process by providing free computer energy modeling of the project design, funding to offset the cost of design time associated with the increased energy analysis, financial incentives to improve the cost-effectiveness of a package of energy efficiency measures, and field verification to ensure that the strategies are installed per the design intent.

The Company administers the EDA program in coordination with natural gas utilities CenterPoint Energy and MERC, with help from outside energy design consultants who facilitate meetings with the design teams and building owners, and complete energy modeling activities. Preapproval is required for participation.

Projects typically enter the program during schematic design or design development phase of the architectural design process. There are two tracks available for customers: Standard and Enhanced. The Standard track is for projects that are 20,000 square feet or greater in size that are in the schematic design or early design development phase. Rebates are based on peak coincident demand and energy savings (PC kW, kWh, and Dth); the project must achieve a minimum of 5 percent savings over the baseline to be eligible for the rebate.

The Enhanced track is for customers registered with a sustainable building certification program such as the United States Green Building Council's (USGBC's) Leadership in Energy and Environmental Design (LEED) or Minnesota B3. The Enhanced track provides additional analysis in the early stages of design for HVAC, daylighting, and massing analysis. T he Enhanced Track is for projects that are at least 50,000 square feet that are in the pre-design or early schematic phase. The project must achieve a minimum of 30 percent demand savings over the baseline to be eligible for the rebate.

Energy Efficient Buildings (EEB)

The EEB offering is intended to provide a simplified approach to optimizing energy efficiency options in new construction, additions, and major renovations. It offers design review, equipment recommendations, and onsite verification.

The EEB offering provides a comprehensive list of typical energy efficiency measures that can be incorporated into the new building design, as well as the rebate amounts for each measure. The program is administered using both internal and external resources to review the calculations, recommend equipment, and verify installation. Preapproval is required.

Any size building may participate, but EEB is primarily targeted at buildings that are between 5,000 and 20,000 square feet and/or projects not suited for the full-blown energy modeling of the EDA offering. Projects must enter the program prior to completion of construction documents.

Code Compliance Support

New to this Plan is an expanded offering to support communities across Minnesota to improve code compliance. The Company, in coordination with CenterPoint Energy, Minnesota Energy Resources, Minnesota Power and Otter Tail Power will give those communities the tools to improve compliance with the new codes and help them reach their energy performance and economic development targets. This proactive support will be designed to meet each community's needs and address current gaps in new code adoption across the state including: a

lack of resources, lack of knowledge, and internal and external opposition to increasing code requirements. Specific strategies include one on one support for local officials, marketing materials available through various channels, and training designed to support awareness and implementation.

Importantly, this effort is a complement to the offerings that support projects going above the applicable energy code. Assuring that every building meets a level or performance that manages costs and helps reduce emissions while separately incentivizing the building owners that are testing new approaches that may eventually become standard practice is a necessary approach to reaching the clean energy transition targets that are shared by customers, policymakers, and the Company. There will be opportunities to add participating utilities in the future should additional electric or natural gas utilities want to participate in this statewide code initiative.

A key coordination effort will be between this code compliance support program and activities sponsored directly or indirectly by the Efficient Technology Accelerator (ETA) advised by the Department of Commerce and utilities jointly participating in the ETA Coordinating Committee. Activities such as adoption of minimum performance requirements tied to specific equipment supported by ETA or implementation of federal funding that leverages the ETA's statewide platform will be factored into implementation once identified. The Companies have worked with the ETA in advance of filing to transparently discuss areas of unique focus for each discrete program to maximize the support available and minimize duplication.

Participating utilities hired a consultant to develop a program design and budget estimates to support cost-effectiveness testing for the Minnesota Codes Program and a copy of this report can be obtained by submitting a formal information request. Starting in 2021, the consultant began researching the potential codes support program to evaluate potential energy savings that could be claimed by the utilities from a coordinated building codes program in Minnesota. The consultants researched existing codes support programs nationally and completed Minnesota specific research such as interviews and assessment of potential energy savings. The results of that research were used to design this proposed initiative.

The Code Compliance Support initiative will consist of several different support services that will provide comprehensive support:

- Program Planning and Coordination: Includes coordinating communication to the market, program activities, and resources with entities working to support code compliance and adoption outside the utility and other utility programs, if applicable, to support code compliance and adoption targets.
- Code Compliance Improvement/Support: Includes activities that aim to improve compliance with existing codes and address barriers to compliance. Examples of the primary activities within this category are training, development of technical materials, purchasing and distribution of code publications, and participation in industry meetings.

- Building Code Update Support: Includes efforts related to supporting the state when considering higher performance building energy codes and providing technical support, such as providing technical data on energy savings or cost. (For clarity, this is not advocacy for new codes to be adopted as state or federal policy, but rather providing information for decision-makers to consider in reviewing proposed changes to code.)
- Proactive Outreach: Includes outreach to parties involved in administering and applying the building energy code on a regular basis to better understand how Minnesota utilities can support industry stakeholders, primarily through:
    - A circuit rider who acts as a consultant to proactively train and resolve issues around building code.
    - Marketing and outreach materials intended to increase awareness and provide easy to understand basic information on the products and services utilities are providing to support code compliance and adoption.
- Third-Party Support: For example, includes assisting jurisdictions with plan reviews for the highest energy savings portion of the code, most commonly performance path projects.

Qualifying Upgrades/Measures

Energy Design Assistance

Project energy savings is calculated based on the collective bundle of energy efficiency measures implemented as compared to a building constructed to meet the energy code.

Energy Efficient Buildings (EEB)

The EEB program leverages the commercial and industrial (C&I) portfolio of prescriptive measures, including motors, cooling, and heating equipment. It also includes EEB specific prescriptive measures for building envelope (Windows, Walls and Roof) and a lighting measure that calculates savings utilizing the Lighting Power Density allowed for the space type. Custom measures are also available for energy efficiency strategies not offered as a prescriptive measure.

Income-Qualifying Bonus Incentives

New to this plan, the Business New Construction programs will offer bonus incentives of up to twice the original rebate amount for income-qualified, multi-family buildings under our income-qualified multi-family program. Eligibility will follow the same process as those described in our Income-Qualified Segment section.

To qualify property owners and managers must demonstrate that the buildings will meet the following requirements:

- 5+ units with functional kitchens
- Common entrances and common living areas
- Electric Service from Xcel Energy
- Natural gas service from Xcel Energy or CenterPoint Energy

- Provide proof that 66 percent of their tenants will be income qualified based on parameters defined in the Low-Income Multi-Family Building Efficiency program.

The determination of whether a property is eligible to participate is reviewed on a case-by-case basis.

Rebates

Energy Design Assistance (EDA)

Rebates are paid according to the rebate schedule below.

Table 48: EDA Rebate Schedule

Unit	Rebate – Standard Program	Rebate – Income-Qualified
PC kW	$500.00	$750.00
kWh	$0.04	$0.06
Dth	$5.00	$8.00

Energy Efficient Buildings (EEB)

New to this plan, custom and EEB specific measures (Lighting Power Density and Envelope – Window, Wall, and Roof) and will be based on the EDA standard rebate levels (see chart above). This change will make the rebate levels across programs more comparable. Other incentives are calculated using the existing prescriptive rebate levels. Income-qualifying projects will be eligible for double the base rebate levels.

Trade Partner Incentives

A Design Team Incentive is available to offset the cost of the design team's time to participate in project meetings and activities.

Table 49: Design Team Incentive

Building Square Feet	Trade Incentive
20,000-49,999	$4,000
50,000-99,999	$8,000
100,000-399,999	$10,000
400,000+	$12,000

Quality Assurance

Field verification is utilized for both Energy Design Assistance and Energy Efficient Buildings to ensure the strategies are installed per the design intent.

Code Compliance Support

Although the research consultant behind the design of the Code Compliance Support program provides some good indication of what this project might achieve, there is still uncertainty about

actual energy savings realized in future years because of changing building codes. For this reason, the Company, in coordination with participating utilities, may conduct an ongoing evaluation of the project during the 2024-2026 triennial period. The Company is interested in being flexible as we move forward with implementation and gain more experience with this type of program.

One such opportunity for flexibility includes validation of evaluation methods by the Department of Commerce's selected administrator of the Technical Reference Manual or the evaluator for the ETA. The partner utilities suggest that this should happen during the 2024 program year to reduce potential follow up during the reconciliation of 2024 activities after the 2024 Status Report has been filed on April 1 (electric and combination utilities) or May 1 (natural gas utilities) of 2025.

Program Changes

Change	Rationale
Add EFS measures	Optimize customer's usage to produce bill savings and reduce electric system costs.
Bonus rebates will be available for income-qualified projects	This market segment actively participates in Business New Construction; providing additional funds will help the customers expand the efficiency measures they implement leading to long-term energy savings for tenants.
Raise rebates for EEB prescriptive and custom measures to match EDA levels	Rebates will be more comparable, enabling customers multiple program paths for their projects
Expand Code Support	The revised program will include a broad set of offerings available to more customers.
Adjust Baseline	Projects enrolled in EDA and EEB on January 1, 2024 and after will use the Minnesota State Energy Code referencing the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) 90.1-2019 Energy Standard as the project baseline.

Budget, Participation and Target Considerations

The program's participation, energy savings targets, and budgets were determined by reviewing historical achievements and the state of the construction industry. In recent years, the construction industry has been very active, although there are signs that growth may be tapering off. Given the time required to complete these projects, the buildings currently in development will drive most of the achievement for this Plan.

The main budget drivers include the following:

- Participant Incentives – Customer rebates and vendor incentives make up most of the budget. In addition to customer incentives, the EDA product provides incentives to design teams to offset the extra expense associated with participation.
- Customer Service – These activities are associated with the cost of analyzing building plans, developing energy models, identifying energy efficiency opportunities, as well as time spent conducting customer meetings, trainings and participating in code compliance activities.
- Measurement & Verification – All EDA and EEB projects are verified using on-site visits. The Company will conduct a program evaluation of the Code Support program to verify assumptions used and determine energy savings.

Code Compliance Support

The supporting information developed by the consultant anticipated that new commercial and residential energy codes would take effect on January 1, 2026. However, since that research was substantially complete, the Department of Labor and Industry (DLI) gave notice that a new commercial energy code (ASHRAE 90.1-2019) would take effect in January of 2024 and the residential energy code is currently under review by DLI after a recommendation to the Commissioner of Labor and Industry. However, due to the lag in time between when a building is permitted and when it begins operations, there will not be savings claimed in the first year of the expanded program and thus 2024 will not be affected by these possible changes. The partner utilities propose that updated savings calculations for the 2025 and 2026 program years will be filed in the compliance section of the 2024 status report for claimed savings in these future years. The 2024 proposal allows for the evaluation of the first year of activities to inform future year program effects, including changes in gross technical savings for claiming savings in 2025-2026, compliance, and attribution, which would need to be reflected in a program that supports accelerated code adoption.

Stakeholder Involvement

The New Construction program engages customers, trade allies, and other stakeholders at the individual project level and supports organizations including the United States Green Building Council (USGBC-MN) and the Center for Sustainable Building Research (CSBR).

4. COMPRESSED AIR EFFICIENCY

Program Description

The Compressed Air Efficiency program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Compressed Air Efficiency program offers financial incentives to electric business customers that implement energy saving projects within their compressed air systems. The program offers study funding to perform system diagnostics, as well as prescriptive and custom rebates for the purchase of energy saving equipment. Compressed Air is targeting industrial customers to

provide alternatives to traditional propane forklifts which are typically used in these settings. The program is primarily marketed to mid- to large-sized industrial customers.

For the Plan, the Company proposes to add prescriptive rebates for larger variable speed drive compressors and forklifts. Additionally, we will provide financial incentive option for customers who choose to fix system leaks without completing an Xcel Energy study.

Eligibility/Qualification for Participation

The Compressed Air product is available to electric business customers. Compressed Air studies require preapproval prior to execution and must be completed by an approved study provider. Custom projects are evaluated under the Custom Efficiency analysis and must follow the rules of the Custom Efficiency product. These processes help to minimize so-called "free ridership" and ensure the technical and financial soundness of projects that are awarded rebates.

System requirements include:

- Electrically driven compressed air systems;
- Minimum 10 hp total installed air compressor capacity (excluding backup equipment); and
- Systems must operate at least 40 hours per week (2,000 hours per year).

Qualifying Upgrades/Measures

The Compressed Air Efficiency program includes compressed air supply-side, demand-side studies, and an efficient fuel switching measure as well as both prescriptive and custom incentives.

Prescriptive	Custom
Variable speed drive compressors	Calibration/tune-up of system set points
No loss air drains	Adjustment of valves and dampers
Cycling refrigerated dryers	Reducing system demand
Dew point demand controls	Air to electric conversions
Mist eliminators	Capital equipment replacements and upgrades
	System redesigns

Rebates

Measure	Rebate
Supply Side Study	100% Study Cost of current Max structure + Additional $50.00/Leak Fix
Cycling Dryers	$3.00/SCFM
Dryer Purge Demand Controls	$1,500.00 + $1.00/CFM
Mist Eliminators	$2.00/SCFM
No Air Loss Drain	$200.00/Drain

Measure	Rebate
New VFD Compressor	$150.00/HP
Demand Side Study	75% of Study Cost
Flow Controller	$10.00/Operating HP
Storage Tank	$1.00/Gallon
Dryer Purge Demand Controls	$1,500.00 + $4.00/CFM
Leak Only Study	$50.00/Leak Fix
Industrial battery chargers	$250.00/Charger
Forklift Electrification	$4,000/ Forklift

Trade Partner Incentives

The Company provides Trade Partner incentives to trade partners who leverage the program rebate to help customers off-set the first costs with purchasing and installing energy efficient equipment. Trade incentives are available to all trade partners that provide the criteria to participate. The trade incentive paid is 15 percent of the customer's rebate up to $5,000 per project.

Quality Assurance

Study providers are vetted and must go through a trial period prior to becoming approved to conduct compressed air studies.

Program Changes

Change	Rationale
Increase in eligible sizes of VSD compressors	This is a project that commonly goes through the Custom Efficiency product and making it prescriptive will improve the experience and turnaround times for participating customers.
Leak fix check	Looking to solely check leaks, which could correspond with a study.
Expand mist eliminator to large size range	Avoids Custom Efficiency path, and already have assumptions built for expanding.
New pressure/flow controllers	Adopting measure as defined in Minnesota's Technical Reference Model.
New storage tanks on fixed speed load/unload systems	Adopting measure as defined in Minnesota's Technical Reference Model (TRM).
New heated desiccant dryers with controls	Common through Custom Efficiency and furthers efficiency beyond current Heatless Desiccant Dryer offering.
New Blower Purge Desiccant Dryers with Controls	Common through Custom Efficiency and furthers efficiency beyond current Heatless Desiccant Dryer offering.
Add measure for Forklifts	Addition of EFS measure of lithium-ion battery forklifts bundled with industrial battery chargers

Budget, Participation and Target Considerations
The program's participation, energy savings targets, and budgets were determined by analyzing historical data, reviewing projects in the pipeline and evaluating the forecasted economic conditions. We also included other variables such as promotions needed to reach targets, rebate levels, and staffing. Projected customer participation and savings are based on expected average project size and mix of technologies anticipated.

The main budget drivers include the following:

- Participant Incentives: This budget represents the rebates we will pay for energy efficient equipment and studies. This is based on historical participation across the offering and includes predicted growth from existing and new products.
- Utility Administration: These budgets are based on past program performance with an increase built in for increased participation and technical engineer support.
- Advertising & Promotion: This budget will assist in raising awareness of the program and provide training to customers and trade to establish the Company as an expert in the market.

Stakeholder Involvement
The Compressed Air program partners with the U.S. Department of Energy to provide training on the Compressed Air Challenge program and Fan Systems. We have partnered with the Consortium for Energy Efficiency to establish best practices for industrial systems including blower systems and pumping.

5. CUSTOM EFFICIENCY

Program Description
The Custom Efficiency program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Custom Efficiency program offers financial incentives to electric and natural gas business customers that implement energy saving projects outside of what is available through our prescriptive programs. The program is marketed to all business customers regardless of size using direct contact with customers via our sales representatives, the internet, and trade channels. Energy-saving, non-prescriptive projects encompass installing new equipment, replacing existing equipment, retrofitting equipment or improving processes that lower a customer's electric or natural gas use. The project list includes, but is not limited to boilers, compressed air, cooling, lighting, motors, and other technologies, all of which must pass cost-effectiveness on an individual project basis. This program also offers study funding to help customers determine project viability and energy savings potential.

For the Plan, the Company is proposing to add measures to capture EFS opportunities as well as load shifting opportunities outside of prescriptive measures.

Eligibility/Qualification for Participation

Each custom project must meet specific eligibility requirements. This process can be broken into distinct steps: Application Submission, Project Analysis, Project Acceptance or Ineligibility, and Project Completion.

- *Application Submission*: The Company's Account Managers and/or Energy Efficiency Specialists work with a customer and their vendor to identify a project with energy efficiency opportunities and start the application process. In addition to the application, which must be signed by the customer, an electronic "workbook" is filled out with a detailed description of the project.

- *Project Analysis*: Xcel Energy engineers review the project information and enter pertinent data into a model to determine the projected energy savings, benefit/cost ratio and payback. The model calculates energy savings for various end-uses (lighting, motors, cooling, compressed air, etc.) to ensure consistency in analysis from one project to another. All calculations are based on approved ASHRAE methods or other similar industry standards. Based on the modeled results, the project either passes or fails.

- *Project Acceptance or Ineligibility:* Once the engineers have completed the analysis, an approval or not rebate eligible letter is sent to the customer. The letter provides critical information regarding the project, including rebate amount, project description and costs, energy savings, and any conditions that must be met to receive the rebate (e.g., measurement and verification). Should a project be ineligible for a rebate, a letter is sent to the customer with an explanation as to why the project was not approved.

- *Project Completion*: When a project is completed, the customer will inform their Account Manager or Energy Efficiency Specialists. The customer will sign the verification section of the application and submit it along with copies of invoices and other required information as stipulated in the approval letter. If the final documentation matches the approved project information, the project the paperwork is submitted to the Company for issuance of the rebate.

Occasionally, projects must undergo re-analysis because the final project parameters do not match the original project application. This may be due to minor changes in project scope, cost, or technology. In these cases, the actual project information will be given to the technical staff for review and re-analysis. The original analysis will be updated with the new information to determine if the project still meets passing criteria. A passing project will be awarded a rebate based on the calculated savings from the updated analysis. A project that fails on re-analysis will not be issued a rebate.

Qualifying Upgrades/Measures

The custom product is available for business customers who purchase and install equipment or change processes within their facilities that do not fit under the criteria of the prescriptive rebates. The custom process includes a customized analysis based on each customer's project, associated costs, equipment, or process change and the savings delta of the baseline equipment and energy savings option. The rebate is based on the energy savings delta. Qualification for financial incentive within this product is dependent on meeting specific criteria including payback and passing cost benefit analysis.

External project funding, such as possible IRA funding, may be considered in the custom model when calculating cost-effectiveness and payback periods if the external funding meets the following criteria: (1) is known to the Company; (2) dedicated to a specific technology measure or set of related measures; (3) available for at least the length of the Plan; and (4) broadly applicable (not restricted to a specific proprietary project or specific customer).

Rebates

Rebate amounts are defined by the engineering examination of the demand and energy savings attributed to the project. The analysis incorporates standard engineering principles, relative to industry standards and the interactive energy effects of the equipment and/or system components. Successful applicants receive a rebate if their completed project passes cost-effectiveness testing. In addition, successful applicants receive partial study funding based on an engineering assessment of the estimated demand and energy savings of the project.

Trade Partner Incentives

The Company provides Trade Partner incentives to trade partners who leverage the program rebate to help customers off-set the first costs with purchasing and installing energy efficient equipment. Trade incentives are available to all trade partners that provide the criteria to participate. The trade incentive paid are 15 percent of the customers rebate up to $5,000 per project.

Quality Assurance

M&V is completed for projects that exceed specified thresholds of electric and/or gas savings. M&V may consist of pre- and post-monitoring data collection to confirm savings estimates.

Program Changes

Change	Rationale
Custom measure added for future EFS and load shifting opportunities.	Optimize customer's usage to produce bill savings and reduce electric system costs.

Targets, Participants & Budget

The program's participation, energy savings targets, and budgets were determined by analyzing historical data, reviewing projects in the pipeline, and evaluating the forecasted economic conditions.

We also included other variables such as promotions needed to reach targets, rebate levels, and staffing. Projected customer participation and savings are based on expected average project size and mix of technologies anticipated.

The main budget drivers include the following:

- Utility Administration: Custom Efficiency is a labor-intensive product due to the pre-approval process and analysis components.
- Participant Incentives: The budget for rebates is established based on an estimation of participation levels, multiplied by the rebate per kW amount in the technical assumption models.

Stakeholder Involvement
Customers, trade allies, and other stakeholders are engaged at the project level to gather input regarding best practices, methods, and support for evaluating new technologies.

6. DATA CENTER EFFICIENCY

Program Description
The Data Center Efficiency program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Data Center Efficiency program is a holistic offering that provides prescriptive and custom rebates to business customers that install energy saving measures in their existing or new data center. The program also offers rebates for data center energy studies. The program is primarily marketed to our enterprise and colocation data center customers through our account managers and Business Solutions Center, but any size data center can participate. We also work closely with our trade partners, specifically engineering firms, technology services firms, mechanical contractors, and manufacturers' representatives to market the program. For the Plan, the Company is proposing to expand prescriptive offerings to larger unit sizes for Computer Room Air Conditioners. We detail these more specifically below.

<u>Eligibility/Qualification for Participation</u>
The Data Center Efficiency product is available to electric business customers.

- *Existing Facilities:* Customers may perform a study by selecting a pre-qualified study provider. If they select a provider who is not on the Company's list, the new provider will be required to submit qualifications prior to receiving study funding approval. The Company typically evaluates measures identified within a study as one project, based on the customer's indication to implement all measures included in the project. Pre-approved projects must be cost-effective. If at least two years has passed since a project was approved, the technical staff will re-analyze it to determine if the savings/payback has changed. This re-analysis is

conducted prior to issuing a rebate check. Studies, once pre-approved, need to be submitted to the Company within three months of issuance of the pre-approval letter.

- *New Facilities*: To participate in this measure, customers will work directly with contracted agents of the Company who will facilitate the integrated design and modeling components of the measure. The choice of contracted providers is influenced primarily by the fact that the new Data Center market is highly dynamic and complex. To manage the risk introduced by this complexity, the Company chose to move forward with a limited provider delivery model. As the market evolves, the Company will evaluate the potential to open the consulting services of this measure up to other providers in a manner similar to studies undertaken by existing data centers.

- *Computing Spaces:* For prescriptive Virtual Desktop Infrastructure (VDI) measures and prescriptive high efficiency servers, all equipment rebated through the measure must be new and meet all measure rules and requirements. A minimum of 10 units must be purchased to qualify for the rebate. The application must be submitted within twelve months of the invoice date.

Qualifying Upgrades/Measures

The program's main offerings include the following:

- Prescriptive rebates for efficiency improvements falling under any of the end-use prescriptive programs within the Business Segment.
- Custom rebates are awarded for efficiency measures such as: air-flow management; high efficiency servers and IT systems; cooling systems; humidification systems; transformers; and uninterruptable power supplies (UPS).
- Study funding is available to identify and/or quantify energy savings projects.
- Design Consulting Services are available for customers building a new data center, free of charge, to help data center owners optimize the efficiency of their facilities during the siting, design, and early operation stages of the new data center. Custom rebates are available for the efficiency improvements incorporated into the design, as in the Energy Design Assistance offering.

Prescriptive Rebates

Measure	Rebate
Computer Room Air Conditioners (CRAC)	Total Rebate = Size + AC Unit + Economizer Size = $60/ton x tons AC Unit = $10 X (Unit SCOP - Minimum qualifying SCOP)/0.01 Economizer = $2 X (Economizer SCOP - Minimum qualifying Sensible Coefficient of Performance (SCOP))/0.01
Mini-split AC units	($20 + ($1/0.1 SEER over minimum qualification)) x tons
Plate and frame heat exchangers for water-side economizing	$120 - $300
Virtual desktop infrastructure systems (including thin client and zero client computing)	$10/unit with a minimum of 10 units installed

Trade Partner Incentives

The Company provides trade partner incentives to trade partners who leverage the program rebate to help customers off-set the first costs of purchasing and installing energy efficient equipment. Trade incentives are available to all trade partners that include a Trade Incentive ID on their rebate/preapproval application.[31] The trade incentive paid is 15 percent of the customer's rebate up to $5,000 per project.

Quality Assurance

Approved study providers have submitted qualifications to Xcel Energy, including information on their data center expertise, examples of prior studies, and samples of energy calculations. Providers are approved to provide studies addressing various data center components noted as IT or facility services.

Program Changes

Change	Rationale
Custom measure added for future load shifting opportunities.	Optimize customer's usage to produce bill savings and reduce electric system costs.

Budget, Participation and Target Considerations

The program's participation, energy savings targets, and budgets were determined by analyzing historical data, reviewing projects in the pipeline, and evaluating the forecasted economic conditions. We also included other variables such as promotions needed to reach targets, rebate levels, and

[31] Trade Incentive IDs can be obtained from Xcel Energy and found on xcelenergy.com/TradePartners

staffing. Projected customer participation and savings are based on expected average project size and mix of technologies anticipated.

The main budget drivers include the following:

- Participant incentives: This budget represents the rebates we will pay for energy efficient equipment and studies. This is based on historical participation across the offering and includes predicted growth from existing and new products.
- Utility Administration: These budgets are based on past program performance with an increase built in for increased participation and technical engineer support.
- Advertising & Promotion: This budget will assist in raising awareness of the program and provide training to customers and trade to establish the Company as an expert in the market. Promotional dollars include an increase to support an increased savings target.

Stakeholder Involvement

The Data Center Efficiency program works with multiple community energy organizations, ranging from trade partners and installers to local industry organizations. Xcel Energy hosts program and technical training and information sessions for trade partners and sponsors and presents at local industry chapter organization meetings and events.

7. EFFICIENCY CONTROLS

Program Description

The Efficiency Controls program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Efficiency Controls program offers custom electric and gas rebates to customers who install automated control systems resulting in energy savings. These systems are centralized networks programmed to monitor and control mechanical and sometimes lighting systems within a building, allowing customers to reduce energy costs and shift energy load by adjusting usage of equipment. The program is marketed to all business customers. For the Plan, the Company is proposing to add prescriptive measures, apply a cost-reduction to account for non-energy costs in controls proposals, and add a demand response component.

Eligibility/Qualification for Participation

Used equipment does not qualify. To be eligible for a rebate, customers must submit their application and project proposal for preapproval before purchase or ordering equipment. Used control equipment does not qualify, although updates to existing control systems are eligible. The Company evaluates each application, estimates energy savings of the proposed system, and notifies the customer of rebate qualification and estimated rebate amount.

Qualifying Upgrades/Measures

Various types of controls projects can qualify for a rebate; the general categories of projects are presented in the following table with examples of measures that would fall into each category.

Resets • Supply air/discharge air temperature • Entering condenser water temperature • Chilled water supply temperature • Variable air volume fan duct pressure and flow • Chilled water pressure • Hot deck and cold deck temperature	**Scheduling** • Holiday scheduling • Zonal scheduling • Override control and tenant billing • Night setup/setback • Optimum start/stop • Morning warm-up/cool-down
Ventilation Control • Occupancy sensors • Supply air volume/outside air damper compensation routines • Carbon dioxide sensing • Exhaust fans • Typical air-side • Air-side economizers • Night ventilation purge	**Lighting** • Daylight dimming • Lighting sweep • Occupancy sensors • Zonal lighting control
Miscellaneous • Simultaneous heating/cooling control • Zone-based HVAC control • Variable Speed Drive (VSD) control • Chiller staging • Boiler control • Building space pressure • Heat recovery	**Demand Management** • Demand limiting or load shedding • Sequential startup of equipment • Duty cycling

In addition to custom rebate opportunities, the Company offers a HVAC ventilation add-on rebate for rooftop unit economizers and demand-controlled ventilation of $20 per ton of cooling capacity that meet eligibility.

Rebates

As part of the Efficiency Controls program, the Company looks at individual situations to determine an incentive level that corresponds to the energy-savings potential of control systems. The more energy a project saves, the more businesses can earn rebate dollars—up to $450 kW on-peak + $200 kW in excess + $.02 kWh saved and up to $5 per dekatherm (dth) saved.

Trade Partner Incentives

The Company provides Trade Partner incentives to trade partners who leverage the program rebate to help customers off-set the first costs of purchasing and installing energy efficient equipment. Trade incentives are available to all trade partners that include a Trade Incentive ID on their rebate/preapproval application. The Efficiency Controls program provides a trade incentive of 15 percent of a customer's rebate for a maximum amount of $5,000 per project for completed projects.

Quality Assurance

The Company applies rigorous training for engineering analysis to this custom product. The Company also works with reputable energy analysis firms and the Consortium of Energy Efficiency to advance the Efficiency Controls program.

Program Changes

Change	Rationale
Adding prescriptive measures • Pneumatic to DDC Thermostats • Rooftop Economizer Control with Demand Control Ventilation • Guest Room Energy Management Thermostats (3 Types)	Expedite project approvals for our stakeholders
Adjust incremental cost cap to 50 percent	Energy management system projects have many costs which do not directly apply to energy savings such as user interface upgrades. These types of non-energy savings costs are incorporated into the total project costs and are difficult and sometimes impossible to separate out, so the incremental cost cap reduction aims to take these non-energy savings costs into account.
Custom measure added for future load shifting opportunities.	Optimize customer's usage to produce bill savings and reduce electric system costs.
Adding additional training opportunities to both trade partners and customers on peak energy control sequences.	Help educate customers regarding load shifting strategies and their impact to their business.

Budget, Participation and Target Considerations

The program's participation and energy savings targets and budget were determined by historical program performance, current technology, and market conditions as described above.

The main budget drivers include the following:

- Participant Incentives: As the market becomes more saturated with digital control systems, the customers left to convert require greater assistance and higher rebate incentives to influence project implementation.
- Utility Administration: Internal labor to market and administer program offerings are estimated based on historic spend.
- Customer Services: Supporting engineering and staff augmentation to ensure accurate consistent analyses and support any M&V efforts as needed.

Stakeholder Involvement

In 2022 the Company held interviews with trade partners, customers, and vendors to gain feedback and ideas on product improvements. We intend to take these learnings along with analysis conducted in other jurisdictions to make future program improvements.

8. EMPOWER FACILITIES

Program Description

Empower Facilities was added to Xcel Energy's previous Triennial Plan for 2021-2023 through a program modification approved by the Commissioner on August 11, 2022. The Company proposes to continue this product as described below in the 2024-2026 triennium. Empower Facilities is an indirect impact program for business customers. The program is designed to help reduce barriers for customer participation in our business segment by offering a comprehensive approach to managing their energy needs.

Eligibility/Qualification for Participation

Empower Facilities delivers a turnkey service that assesses energy consumption, current equipment, and a customer's future business plans that may affect their facility's energy use. If needed, a building assessment will be conducted, and the program will provide a list of recommendations from which the customer can choose the scope of their project. The program will also prepare detailed customer proposals for costs and services based on different scope options. These services are provided at no cost to the customer.

The customer may then choose to continue to work with the program, contracting for implementation services and/or ongoing support, under an agreed scope and financial arrangement, or they may choose to implement projects independently. Implementation services contracted for could include support in identifying qualified trade partners and equipment providers to provide project costs or working with the customer's preferred partners and providers including preparation and submission of any applicable rebate paperwork associated with direct impact CIP programs. The contracted services will be billed to the customer by the Company as part of the customer's utility bill.

This program is marketed through the Company's Account Managers toward commercial, industrial and government customers who struggle to identify and/or more importantly, face barriers to implementing energy efficiency projects. All non-CIP-exempt customers with a business rate are eligible.

Qualifying Upgrades/Measures
While focused on delivering direct energy efficiency measures, customer project scopes may include non-efficiency measures that facilitate customer action on the overall project.

Rebates
No special or program specific rebates are provided beyond the rebates associated with the direct energy efficiency measures with the customer project.

Trade Partner Incentives
No special or program specific trade partner incentives are provided beyond the incentives associated with the direct energy efficiency measures within the customer project.

Quality Assurance
Not applicable.

Program Changes
The Company is not proposing any changes to the Empower Facilities program.

Budget, Participation and Target Considerations
Customers with projects at multiple facilities would be treated as multiple participants for reporting purposes; a customer facility receiving both gas and electric service from the Company would be reported as both a gas and an electric participant; and a customer who completes projects at separate times is the year would be treated as multiple participants. The overall participation target was allocated between electric and gas participants using a 4:1 ratio, roughly the ratio of electric to gas customers in the commercial and industrial segments in the Company's Minnesota service area.

A customer who participates in Empower Facilities and another program (e.g., receiving a rebate for equipment installed) will be reported as a participant in both programs.

The main budget drivers include the following:

- Utility Administration: Costs include both payments to the program implementer and Xcel Energy employee labor, along with employee expenses.
- Advertising & Promotion: This includes activities such as external targeted advertising campaigns to generate qualified leads such advertisements on social media. In addition, we will conduct external targeted campaigns to generate qualified leads such as webinars.

Stakeholder Involvement
Business customers have played a major role in the ongoing dynamics of this product. Additionally, key internal stakeholders such as the Account Management team will provide consistent feedback on product performance and customer satisfaction that continuously influences product design and operations. The Company continues to meet frequently and interact with these business customers and internal stakeholders to encourage their input.

9. EMPOWER INTELLIGENCE

Program Description
Empower Intelligence was not part of Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to add Empower Intelligence to our Business Segment in the 2024-2026 triennium. Empower Intelligence is a paid subscription service that gives customers access to energy use information and insights; it is intended to replace the existing tariffed InfoWise offering. If Empower Intelligence is approved as a component of the 2024-2026 Triennial, the Company will file a request with the Minnesota Public Utilities Commission to transition customers from InfoWise to Empower Intelligence and terminate the tariff.

The Empower Intelligence program offers business customers a data-driven software solution that delivers energy usage insights through a simple and intuitive web-based portal. Customers can subscribe to monthly, daily, or real-time levels of electric energy usage granularity subject to the capability of the customer's meter. Water and natural gas usage tracking may also be available from the vendor for an additional fee with a real-time subscription.

In addition, the Company will provide a virtual commissioning component identifying low, no-cost measures to customers for implementation. If other opportunities are identified, the customer will have the opportunity to participant in one of our many Businesses Segment programs. Empower Intelligence provides more granular information than the free Energy Benchmarking service, along with offering insights and suggestions through a Virtual Commissioning component. The product is primarily marketed through our Account Managers and Energy Efficiency Specialists.

Eligibility/Qualification for Participation
All business customers are eligible to subscribe to Empower Intelligence. Depending on the level of service chosen additional metering may need to be installed at the customer's expense. Customers pay a monthly subscription fee to access the portal to view usage for the premises they have enrolled. Customers utilize the portal to view utility usage, identify anomalies, compare usage patterns over time, set usage and peak demand alerts, and more.

Qualifying Upgrades/Measures
Empower Intelligence is a direct savings program as savings are identified through Virtual Commissioning (VCx) provided by a third-party vendor. Business customers that have subscribed to

Empower Intelligence will automatically receive the VCx services as part of their subscription. VCx analysis by the vendor is ongoing if the customer has an active subscription, and we estimate that around 10percent of percentage of customers will have opportunities identified. If the customer chooses to proceed with the identified improvements, there is a measurement & verification period that follows the implemented changes. Opportunities that are undertaken will be communicated back to The Company for tracking.

Rebates
Not applicable.

Trade Partner Incentives
Not applicable.

Quality Assurance
Empower Intelligence subscribers receive Virtual Commissioning (VCx) services via a third-party partner.

Through the Virtual Commissioning offering:

- Opportunities identified are typically low-cost and yield simple paybacks of less than a year;
- The customer only pays for their subscription to Empower Intelligence and any implementation costs of identified operational improvements they choose to pursue;
- There are no in-person meetings nor rebates;
- The vendor utilizes regression models on an hourly or daily basis to measure savings looking at a variety of metrics to verify customer savings. The vendor routinely runs M&V modeling and monitors savings to ensure accurate savings are captured and anomalies can be identified.

Program Changes
Empower Intelligence is a new program within the Business Segment.

Budget, Participation and Target Considerations
Participation, targets, and budgets were determined by analyzing existing, known costs of the Empower Intelligence product and forecasted growth of the product. Costs of the Virtual Commissioning feature were also taken into consideration.

The main budget drivers include the following:

- Utility Administration: These costs are driven by marketing, sales, and internal labor resources to support the program.
- Subscriptions: Subscription costs vary by tier with the lowest, monthly tier priced at $75 per month per meter. Daily and real-time subscriptions cost $150 per month per meter. The customer pays the Company for the utility data and analytics services, and a credit will

appear in the program budget. The Company pays the vendor for the data and analytics services.

- Customer Service: The Company utilizes a third-party vendor to provide the customer portal and VCx services.

Stakeholder Involvement

Business customers have played a major role in the ongoing dynamics of this product. Additionally, key internal stakeholders such as the Account Management team will provide consistent feedback on product performance and customer satisfaction that continuously influences product design and operations. The Company continues to meet frequently and interact with these business customers and internal stakeholders to encourage their input.

10. FOODSERVICE EQUIPMENT

Program Description

The Foodservice Equipment program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Foodservice Equipment program offers prescriptive electric and gas rebates to commercial businesses that purchase and install qualifying energy efficient foodservice equipment. The program is primarily marketed to small and large commercial customers through the Company's Account Managers, BSC representatives, Energy Efficiency Specialists and trade partners. There are no changes proposed for this triennial.

Eligibility/Qualification for Participation

The Foodservice Equipment program is available to both electric and gas business customers. Rebates are available when new qualifying equipment is purchased and installed within 12 months of the invoice date. Used equipment is not eligible for an incentive. The equipment must comply with local, state, and federal regulations. Rebates cannot exceed 60 percent of the project cost, including equipment and labor per our Business Segment rules.

Qualifying Upgrades/Measures

Electric Equipment

- Demand-Controlled Ventilation
- Dishwashers (ENERGY STAR)
- Hot Food Holding Cabinets (ENERGY STAR)

Natural Gas Equipment

- Broilers (infrared & upright)
- Demand-Controlled Ventilation
- Dishwashers (ENERGY STAR)
- Fryers (infrared or ENERGY STAR)
- Ovens
- Pasta Cooker

Rebates

The program offers prescriptive rebates for new food service construction or replacing failing equipment.

- Natural gas equipment rebates range from $125 to $1,000.
- Electric equipment rebates range from $100 to $400.

Trade Partner Incentives

Trade Partners can apply to receive 15 percent of the customer's rebate; with a $5,000 maximum per completed project.

Quality Assurance

Inspections and field verification are completed on randomly selected prescriptive projects.

Program Changes

The Company is not proposing any changes to the Foodservice Equipment program.

Budget, Participation and Target Considerations

The program's participation, energy savings targets, and budgets were based upon historical achievement, the Technical Resources Manual, ENERGY STAR® assumptions, and the state of the foodservice industry.

The main budget drivers include the following:

- Utility Administration: Budgets based on historical performance with a slight increase for engineering support, expanding program offerings, and participation.
- Advertising & Promotion: budget provides funds to promote the program through customer and trade education along with awareness through direct communication to increase program performance and participation.
- Participation Incentives: budget reflects rebates that pay for energy efficient equipment. Historical performance from past program activities have predicted the growth of the program.

Stakeholder Involvement

The program works with several trade partners and local organizations within the industry to collaborate ideas, maintain relationships, raise program awareness, and improve program participation through conferences and training.

11. HVAC+R SOLUTIONS

Program Description

The HVAC+R Solutions program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026

triennium. The HVAC+R Solutions program is designed to target commercial and industrial customers of all sizes. The program provides electric and natural gas rebates for new and retrofit equipment within the technologies of the program: heating, motors and drivers, cooling, and refrigeration. In addition to rebates, the program also offers refrigeration assessments for grocery stores. For the Plan, the Company is proposing to make program changes for the betterment of the program and the customers who participate in it.

Eligibility/Qualification for Participation

The HVAC+R Solutions program allows for a holistic approach to promote the upgrading or replacement of equipment as a system versus individual pieces of equipment, as customers typically replace their heating and cooling systems at the same time. The motors and drives and refrigeration technologies also offer customers opportunities to participate throughout the year as these technologies are not impacted by the seasonal nature of the other products of the program.

Rebates

The program offers four types of rebates and services: prescriptive rebates, custom rebates, mid-down rebates, and grocery store refrigeration assessments.

- *Prescriptive Rebates:* Available for a variety of heating, motors and drives, cooling, and refrigeration equipment. The program follows the TRM savings methodology throughout the rebate offerings. These rebates have specific rules and criteria so customers and trade partners who participate in the program know what information is required to apply for a rebate.
- *Custom Rebates:* available for customers who purchase and install equipment or change processes within their facilities that do not fit under the criteria of the prescriptive rebates. Customers participate in the custom process follow all rules and regulations as described under the Custom Program.
- *Mid-down Rebates:* These rebates provide a hybrid rebate structure between mid-stream and downstream sales channels. Under the mid-down offering, the program works with representatives of the equipment manufacturers or trade partners to assist customers with equipment purchases. The manufacturer reps or trade partners then submit the completed project paperwork on behalf of the customer. The manufacturers rep or trade partners that are in the mid-down network are paid a trade incentive that is 15 percent of the customer's rebate up to $5,000 per project.
- *Refrigeration Assessments*: The Company offers customers the ability to assess their refrigeration needs. Beginning in 2024, these assessments will only be available for the grocery store segment, where refrigeration systems can be the primary consumer of energy for the customer. The program offers refrigeration assessments free of charge to customers in this segment to eliminate a barrier in participating in the product by having to justify or find funding for an assessment. By removing this barrier, customers in the grocery store

segment can focus on using their budgets to make improvements to their refrigeration systems and processes.

The refrigeration product will leverage an engineering company who is a recognized leader in the grocery store segment to perform the assessments and manage this product as a third-party implementer. This engineering company will work with customers who receive a refrigeration assessment to provide project management support to assist with the implementation of prescriptive projects, including coordination between the customer, the Company, and the installation contractors/trade allies to complete the improvements and submit rebate applications on behalf of the customer.

By combining the four separate technologies into one program, HVAC+R Solutions reduces many of the barriers that customers may have to participate. Even with the combining of four technologies into one program the ability to reach smaller, typically non-managed or non-participating customers will still be challenging. This is especially true for refrigeration and will require additional promotional strategies and industry experts that specialize in refrigeration and grocery store refrigeration.

The HVAC+R Solutions program will be primarily marketed through our Account Managers and Energy Efficiency Specialists to our large and mid-range customers. The Company will also work closely with our trade partners, specifically manufacturers' representatives, to market the program.

Qualifying Upgrades/Measures

The program's main rebate offerings include prescriptive and custom rebates. The prescriptive rebates are for equipment that exceeds the minimum efficiency as specified in the TRM for each technology.

Rebates

Rebates will be paid according to upgrade type, as shown below. New rebates are identified in Program Changes below.

Table 50: Prescriptive Rebates Available for HVAC+R

Heating	Motor and Drive	Cooling	Refrigeration
Furnaces, water heaters, unit heaters and new or early retirement for commercial boilers and new industrial process load boilers that exceed the minimum efficiency required by the TRM	Upgrade motors that include induction and permanent magnet alternating current (PMAC) motors that meets or exceed the National Electric Manufacturers Association (NEMA) Premium efficiency energy standards for Motors	Cooling equipment that exceeds the minimum efficiency required by the TRM;	Refrigeration equipment that is typically found in grocery stores, restaurants, convenience or liquor stores

Heating	Motor and Drive	Cooling	Refrigeration
Optional auxiliary boiler equipment that further improves a new or existing boiler's efficiency	HVAC and non-HVAC VFDs used to control the motor speed of fans and pumps	VFD retrofits on chillers;	Refrigeration reimbursement rebates similar to direct install equipment.
Distribution-system improvements, including steam trap repair, boiler tune-ups and replacement and pipe insulation	Clean water pumps for industrial and commercial clean water pumping applications	Direct Expansion (DX) units: condensing units, rooftop, split systems Air-Cooled Condensing Units	
Smart thermostats High volume low speed (HVLS) fans	Fan energy index	Commercial AC Switch Single or Multistage	
Aerators and pre-rinse sprayers for kitchens and restrooms	Fractional horsepower (hp) electronically commutated motors (ECM)s for fans and pumps;	Heat pumps, mini-split heating and cooling or cooling only options and water source	
Linkageless Controls	Switched reluctance motors	Smart thermostats.	
Ozone Laundry	Full hp ECMs		
Smart thermostats			

Custom rebates are available for each technology for equipment that does not fall under the prescriptive portion of the program. Additionally, the Company will offer in-depth study funding of up to 75 percent of the study cost, not to exceed $25,000, to identify and quantify energy savings of the HVAC+R Solutions projects.

Trade Partner Incentives

The Company provides Trade Partner incentives to trade partners who leverage the program rebate to help customers offset the first costs of purchasing and installing energy efficient equipment. Trade incentives are available to all trade partners that include a Trade Incentive ID on their rebate/preapproval application. The trade incentives paid are typically paid at 15 percent of the customer's rebate up to $5,000 per project with exceptions for boiler tune-ups which are $35 per tune-up.

In addition, trade partner incentives for mid-down rebates do need to be approved to participation and must sign an agreement with Xcel Energy. Specific guidelines and procedures are also required.[32]

[32] https://mn.my.xcelenergy.com/s/partner-resources/trade/online-distributor-rebates-for-trade-partners

The trade partners that receive a trade incentive help customers select highly efficient equipment, assist them with the project paperwork and in many cases submit the completed project paperwork for them.

Program Changes

The Company proposes to add three new measures that have both electric and gas baselines. These new measures are summarized in the following table.

Change	Rationale
Add dual fuel roof top unit measure	Encourage customer usage of new technologies.
Add heat pump water heater, electric baseline measure	Encourage customer usage of new technologies and support efforts to electrify buildings.
Add heat pump water heater, gas baseline	Encourage customer usage of new technologies.
Hire a third-party implementer for refrigeration product / technology	This change will allow the implementer to leverage the newly added refrigeration recommissioning product, bundling custom-type projects and working more closely with grocery store customers.
Add Refrigeration Recommissioning	Added to assist customer in implementing low-cost, no-cost measures that are identified in the grocery store refrigeration assessment.
Refrigeration assessments for non-grocery store segment	The assessments for the non-grocery store will be retired as of due to low participation and lack of implementation of the measures identified in the assessment reports.
Remove Water well pump VFDs	The rebates for this measure will be retired as of at the end of 2024. The rebates will be available for the first year of the new plan to allow customers and trade partners to complete any projects in development.
Add Process load steam traps to the program	Adding process load steam traps as a prescriptive rebate under the heating technology that does not have a cap on the process load. This natural gas savings measure expands the portfolio's incentive offerings for steam traps to those with up to 100 percent process load.

Budget, Participation and Target Considerations

The program's participation, energy savings target, and budgets were determined by reviewing the historical targets target and achievement and participation levels for each of the previous four programs. The analysis included the review of equipment and characteristics of historical projects to develop a projected average savings per participant for various custom program offerings.

The main budget drivers include the following:

- Participant Incentives: The budget reflects rebates to help offset initial costs associated with the capital investment in energy efficient equipment.
- Utility Administration: These budgets are based on past program performance with a slight increase built in for expanded program offerings, engineering and participation.
- Advertising & Promotion: The promotional budget was derived using historical data from past activities. Promotions are targeted to customers and trade partners. These promotions typically focus on program updates for new or revised product offerings; targeted promotions such as seasonal measures for heating or cooling or benefits of one of the four technologies; information regarding bonus rebates and trade incentives; or program or policy changes.
- Customer Service: The Company employs consulting and analytical services for custom projects that are analyzed through the HVAC+R program, as well as for engineering studies and refrigeration assessments.

Stakeholder Involvement

The HVAC+R program works with multiple community energy organizations and trade vendors, distributors, and installers. This is done by hosting training sessions for both customers and trade partners. The Company also participates regularly with the following organizations:

- The Minnesota Blue Flame Association, to drive awareness of natural gas conservation topics and increase educational resources for energy savings options;
- Minnesota ASHRAE Chapter, host trade partner training events to further local industries understanding of cooling and energy efficiency programs;
- Motors Decisions Matter (MDM), a national awareness campaign that promotes effective motor management and informed on the latest energy efficiency technologies for motors and motor related equipment; and
- Minnesota Heating & Cooling Association and Industrial Refrigeration Consortium.

The Company meets frequently with these trade organizations to assess engagement, program strengths and weaknesses, as well as to get feedback on the market for all technologies. Each technology within the program can be complex and trade support is crucial to achieving our targets. The Company actively engages with trade organizations and local trade partners in program design and project implementation when applicable.

12. LIGHTING EFFICIENCY

Program Description

The Lighting Efficiency program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026

triennium. The Lighting Efficiency program offers light emitting diode (LED) rebates to business customers that install qualifying energy efficient lighting equipment or lamps in existing or new buildings. The Company works closely with our trade partners, manufacturers' representatives, distributors, and contractors to market the program. The program is marketed to large business customers predominantly through our account managers and to small to medium sized customers through the Business Solutions Center. In this Plan, the Company is proposing to add new technologies to our portfolio to help lower the upfront barrier of more efficient technologies.

Eligibility/Qualification for Participation

The program's main offerings include the following:

- *Prescriptive Retrofit*: These rebates include equipment incentives for LED fixtures, lamps and controls to help offset the cost of installing new lighting equipment. Rebates are available for customers of any size and qualifying equipment must be more efficient than what is currently installed.
- *Prescriptive New Construction*: These rebates are for qualifying lighting equipment for facilities that are newly constructed or undergoing major renovations. The equipment must be more efficient than standard equipment that meets baseline codes.
- *Custom Rebates*: Are available for energy saving lighting projects that do not fall within the requirements of the prescriptive rebates. Custom applications must follow all required Custom Efficiency rules and requirements.
- *LED Instant Rebates:* These rebates offer discounts on LED lamps that are purchased from a participating distributor for existing or new construction facilities.
- *Redesign Studies:* These studies are available for customers needing assistance in determining optimum lighting levels for their facilities. Certified Lighting Professionals or a member of the International Association of Lighting Designers work with customers to identify and quantify lighting solutions that include energy saving opportunities. Implementation rebates are available to customers who proceed with recommendations from the study and install energy efficient lighting equipment.

Qualifying Upgrades/Measures

The Lighting program offers several incentives to help customers install new, more efficient lighting options in their business. These include such fixtures such as wall pack, parking garage, and LED replacements for HID lamps. Additionally, there are incentives for occupancy sensors and networking controls.

Rebates

Rebates are paid per technology based on whether the technology is prescriptive or custom. Instant rebates are provided to customers through their participating distributor.

Program Changes

Change	Rationale
Adjust baseline for general service lamps, screw-in lamps and downlight retrofit kits.	The baseline for general service lamps, screw-in lamps and downlight retrofit kits, will change to 45 lumens per watt to align with federal EISA Backstop legislation.
Eliminate non-DLC rebates.	Only a small portion of rebates submitted are for non-DLC rebates. Using one rebate level will be less confusing for customers. The rebate levels for all measures will be for DLC or non-DLC products.
Increase the wattage ranges for area lights, high bays and parking garages measures.	The equipment has become energy efficient and the lumens per watts have increased. By increasing the lower wattage threshold, the Company can account for more efficient fixtures.
Add new measures for Prescriptive Retrofit: exterior mogul base lamps, exterior downlights, interior track lighting	Customer's demand continues to grow for these fixtures as part of the Custom offering. Offering prescriptive options reduce customer adoption barriers.
Add new measures for Prescriptive New Construction: exterior downlights, interior track lighting	Customer's demand continues to grow for these fixtures as part of the Custom offering. Offering prescriptive options reduce customer adoption barriers.
Add networked lighting controls to Prescriptive New Construction	Networked lighting controls are growing in popularity, and it is the next step after installing LED fixtures for customers to continue to save energy.

Budget, Participation and Target Considerations

The product's participation and energy savings targets were determined by looking at historical participation levels, as well as the large number of LED products that are expected to be commercially available during this Plan. Previous project characteristics, including equipment type/mix, were also used to develop projected average dollars-per-kWh rebate for each measure.

The main budget drivers include the following:

- Participant Incentives: Rebates encompass most of the program budget. This budget reflects the rebate levels and projected customer participation in each measure, which was based on historical participation across the offerings.
- Utility Administration: The administration budget is based on past product performance with a slight increase built in for expanded product offerings, engineering, and account management involvement.
- Advertising & Promotion: A promotional budget was developed based on expected expenditures to drive the market to energy efficient equipment. Promotions are targeted to

customers and trade partners, and typically focus on activities such as new or revised product offerings, case studies featuring successful projects, educational opportunities such as events, and bonus rebates.

Stakeholder Engagement
Business customers have played a major role in the on-going dynamics of this product. Additionally, key internal stakeholders such as the Account Management team provide consistent feedback on product performance and customer satisfaction that continuously influences product design and operations. The Company continues to meet frequently and interact with these business customers and internal stakeholders to encourage their input.

13. LOAD STRATEGY ANALYSIS

Program Description
Energy Information Systems was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to modify the product and the name to better serve customers with load shifting and fuel switching strategies for the 2024-2026 triennium. The new product called "Load Strategy Analysis" is designed to target Commercial & Industrial customers and to provide financial incentives for complex, custom energy strategy analysis studies and projects. These efficiency projects may pertain to natural gas or electric consumption in a commercial or manufacturing process, or for HVAC and industrial water heating.

Eligibility/Qualification for Participation
The Load Strategy Analysis (LSA) program offers custom electric and natural gas rebates along with consulting services to business customers that implement operational improvements. The program primarily targets large commercial and industrial customers.

Qualifying Upgrades/Measures
The program's main offerings include consulting services to:

- Help customers identify data sources, primary and sub-metering needs;
- Provide software with graphical representation of energy usage;
- Develop a baseline energy model and M&V plan for the facility; and
- Support analysis to identify how the customer can use energy data to persistently curtail usage.

LSA will use a three-phase approach to implement the process and capture savings. The customer's formal acknowledgement of planned participation in the program begins with the customer signing an agreement before Phase 1 begins. The Company views signing the agreement as formally establishing a date of influence for all projects completed under the program's umbrella.

Although load shifting opportunities will be the primary focus, behavioral and low cost/no cost energy savings opportunities, and additional capital improvements such as fuel switching, and thermal storage studies will be supported.

- *Phase 1 (Set-up)*: The Company works with the customer to identify the energy use baseline, metering, data and communications needs, and opportunities to improve data collection through equipment within the customer's budget. At this time the Company will work with the customer to establish energy saving and load shifting targets as well as the definition for how efficiency for each building and system is characterized.
- *Phase 2 (Treatment):* As part of the consulting services, the data is captured to inform the identification of energy efficiency opportunities. These opportunities are expected to include measures that include behavioral changes, require capital investments, and/or require operational adjustments as described below. Once the baseline, data methods and sub-meters are established, a one to three-day energy assessment will identify and suggest prioritization for energy optimization opportunities. Frequent communication with the customer and thorough documentation throughout this phase will be required to ensure that new measures are discovered and implemented.

Table 51: Measure Types

Measure Type	Explanation
Behavioral	With visibility and tighter management of energy performance metrics, occupants and end users are expected to be more engaged in load shaving and reducing energy consumption.
Capital	Expansion of controls systems, fuel switching or thermal storage
Operational	Low cost/no cost measures associated with tune-up of equipment or scheduling of equipment operating times

- *Phase 3 (Verification):* Annual analysis and reporting will delineate savings achievements from each primary measure identified in Phase 2. Capital measures will be analyzed and incentivized through the Company's prescriptive and custom programs. Behavioral, load shifting, and low cost/no cost operational measures will be analyzed using the multi-variable regression modeling capabilities embedded in the study.

Rebates

A 30 percent incentive towards the purchase and installation of sub-metering equipment, energy information software, or other interval data gathering device or subscription is provided to customers for systems deemed eligible by the Company. Other prescriptive and/or custom rebates may be available based on measured identified during the analysis. Incentives for M&V of behavior change, and low-cost/no cost operational improvements are also available to qualifying systems.

Trade Partner Incentives

Xcel Energy will provide Trade Partner incentives in line with all Custom and Prescriptive projects.

Quality Assurance

Vendors will be supervised by the product manager with weekly meetings and reports to ensure customers are retaining valuable energy strategies. To ensure persistence of savings, the Company will follow appropriate monitoring guidelines and participants will be held to requirements in return for eligibility toward incentives related to load shifting and energy efficiency activities pursued.

Program Changes

Change	Rationale
Custom measure added for future EFS and load shifting opportunities.	Optimize customer's usage to produce bill savings and reduce electric system costs.
Extend engagement up to five years versus three years, to engage and monitor load shifting opportunities.	For exceptionally motivated customers, offering more in-depth opportunities to maximize energy optimization at multiple levels.
Adjusting requirements to allow customers without an existing energy information system to participate in the program.	This will increase participation and add flexibility to evolving digital platforms.

Budget, Participation and Target Considerations

The program's participation and energy savings targets and budget were determined based on current technology, and market conditions as described above.

The main budget drivers include the following:

- Participation Rebates: Rebates encompass most of the program budget. This budget reflects the rebate levels and projected customer participation in each measure, which was based on historical participation across the offerings.
- Utility Administration: The administration budget is based on past product performance with a slight increase built in for expanded product offerings, engineering, and account management involvement.
- Advertising & Promotion: A promotional budget was developed based program changes. We anticipate higher costs in year one due to product rebranding and the need to communicate to stakeholders.

Stakeholder Involvement

In 2022 the Company held interviews with trade partners, customers, and vendors to gain feedback and ideas on product improvements. We intend to take these learnings along with analysis conducted in other jurisdictions to make future program improvements.

14. MULTI-FAMILY BUILDING EFFICIENCY

Program Description

The Multi-Family Building Efficiency (MFBE) program is a joint offering with CenterPoint Energy that was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Multi-Family Building Efficiency program is designed to target 5+ unit multi-family properties and delivered jointly with CenterPoint Energy. Offered through a single shared program implementer, it is designed to engage building owners by helping them understand their energy use, achieve immediate energy savings through low-cost improvements, and move beyond the initial measures for whole-building energy savings. The delivery model is a combined approach of a whole-building energy audit with direct-install phase to engage the building owners and achieve early savings, and a performance-based component to encourage further improvements in the building, then assistance to begin benchmarking their building and provide financial incentives for more complex, custom energy efficiency projects.

For the Plan, the Company is proposing to add a Low-Income Multi-Family Building Efficiency Program specifically targeted at Income Qualified buildings to match the filing submitted by CenterPoint Energy in 2022 (Docket No. G008/CIP-20-478). Additional adjustments will be made to the market rate program to remove participation barriers and increase opportunities to encourage building owners to invest in identified energy efficiency improvements beyond the free direct install measures.

Eligibility/Qualification for Participation

To qualify property owners and managers must demonstrate that the buildings meet the following requirements:

- 5+ units with functional kitchens
- Common entrances and common living areas
- Electric Service from Xcel Energy or
- Natural Gas service from Xcel Energy or CenterPoint Energy (or other natural gas utilities)

The determination of whether a property is eligible to participate is reviewed on a case-by-case basis.

Qualifying Upgrades/Measures

To encourage engagement, the program starts with a free whole-building energy audit and the direct installation of energy-saving measures, with all services being provided by one third-party program implementer. After completion of the energy audit and direct installations, a written report identifying the building's baseline energy use, the audit findings and recommended energy savings opportunities that could receive an incentive is provided to the building owner/manager.
Direct-install measures include:

- In-unit LEDs;

- Common area screw-in LEDs;
- Smart Power strips;
- Water heater setback;
- Kitchen and bath faucet aerators;
- Energy efficient showerheads; and,
- Exterior door weather stripping for gas and electrically heated buildings

We will continue to offer limited quantities of Renter's Kits for individual renters whose property owners/managers choose not to participate in the program. Since the Renter's Kits energy savings measures are limited to the individual unit, the kits alone do not provide robust program benefits to the multi-family property and are therefore intended as a stop-gap measure to aid individual renters. The intent is that the renter encourages their property owner/manager to participate in the program and receive the full array of benefits offered through the program to the whole building. Materials and resources are available to aid renters in communicating about the program to their property owner/manager.

Project consultation
The building owner/manager works with the program implementer to determine the energy improvements preferred for implementation from the audit report. The program implementer will provide review and oversight of equipment efficiency specifications, oversee Quality Assurance and Quality Control (QA/QC) to ensure improvements are performed as specified, and assist with the rebate and incentive submission.

As part of our strategy to increase participation in demand response programs, this program will be offering smart thermostats and Business Saver's Switch® for common areas of the buildings. Further details are provided in the technical assumptions.

Rebates
Participants moving beyond the assessment and direct-install phase of the program and choosing to undertake energy efficiency upgrades are eligible for rebates consistent with the standard prescriptive or custom rebate for the measure, plus a program bonus incentive equal to 30 percent of rebate value for work completed.

Trade Partner Incentives
The Company will provide Trade Partner incentives of 15 percent of total rebates earned to HVAC contractors working on this program.

Quality Assurance
The customer-selected contractor(s) for energy efficiency upgrades will perform the specified work. The consultant will oversee QA/QC to ensure improvements are performed as specified, including collection and review of project documentation or on-site inspections as appropriate. The consultant

will work with the utility to determine appropriate QA/QC activities. Each quarter, the consultant randomly selects 20 percent of completed improvements and performs on-site verification to ensure the projects were completed as specified.

Program Changes

Change	Rationale
Separate out a Low-Income MFBE (LI MFBE) program targeted specifically to income qualified buildings.	Help bring additional attention to the enrollment and participation of buildings providing affordable housing. Enable specific marketing tactics to target disproportionately impacted communities. Match program offering filed in 2022 by CenterPoint Energy.
Adjust current policy to allow customers with two-year-old audits to participate in bonus rebates.	Continue to encourage customers that have participated in an audit to continue to participate in energy efficiency. Audit and direct install services will remain available and encouraged, but not required to obtain bonus rebates.
Offer MFBE participation to customers with natural gas only or electric only service by Xcel Energy.	(1) Open up participation to more multi-family buildings in rural areas. (2) Match the CenterPoint change that offers participation to their customers regardless of electric provider. (3) Expand the ability of additional electric only customers to participate in the program which will particularly benefit rural territories and electrically heated buildings.
Add a rebate cap of 100% of measure costs.	To maintain cost effectiveness for the market rate program
Add trade ally incentives to match HVAC +R incentives	To encourage trade allies to promote the program and complete rebate paperwork for customers.
Add new direct installation measures to include commercial programmable thermostats, window and sleeve air conditioners, and mini- split heat pumps.	Increase energy savings opportunities for customers and decrease barriers for busy building managers dealing with worker shortages.

Budget, Participation and Target Considerations

Participation projections have been modified to reflect that a portion of the multi-family market now qualifies for Low-Income Multi-Family Building Efficiency. This decline is mitigated by our plans to more aggressively engage the trade to promote the program, expansion of qualifying buildings, and aggressive marketing and outreach.

The main budget drivers include the following:

- Utility Administration: This budget covers internal labor and expenses for program planning, promotion, implementation, and vendor administration.

- Participant Incentives: This budget covers the direct install measure costs, rebates and bonus incentives paid when energy efficient upgrades are achieved.

Stakeholder Involvement
The Company participates in Minnesota Multi-Housing Association Events and other rental/property management organizations as identified. Further, we participate with various stakeholders in Xcel Energy's Equity Stakeholder Advisory Group to identify opportunities to better serve the rental market.

15. NON-PROFIT ENERGY SAVINGS

Program Description
The Non-Profit Energy Savings Program was included in Xcel Energy's previous Triennial Plan for 2021-2023 via a modification request made in December 2020. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Non-Profit Energy Savings Program is designed to target non-profits organized and operated primarily to serve low-income customers in the Company's electric or natural gas service territories. The program offers free education, facility assessments, direct installation, efficient equipment and financial incentives for customers to complete energy efficient upgrades. These efficiency projects may pertain to natural gas or electric consumption in buildings owned and operated by non-profits to serve their low- and moderate-income clients. We anticipate that some of these services will be offered in residential type buildings. For the Plan, the Company is proposing to add additional robust measures to include mini-split heat pumps, window air conditioners and energy efficient refrigerators.

Eligibility/Qualification for Participation
To qualify for the program, the organization must be a non-profit entity. The program will work with community partners, program implementers and trade partners to identify, qualify and prioritize 501(c)(3) organizations such as shelters, treatment centers, education, food shelves, housing, emergency relief services and other non-profits for facility improvement projects that result in energy savings.

The primary purpose of the organization must be to serve low-income or moderate income disproportionately impacted customers. However, identified non-profits that are unable to demonstrate that the majority of their services benefit income-qualified customers will also have the ability to participate through direct installation measures as described below.[33] As a relatively new program, the Company wants to continue to provide opportunities to these customers.

Qualifying Upgrades/Measures
Rebates for common energy-saving and demand-reduction measures such as lighting, HVAC+R,

[33] Customers classified as income-qualified will follow the criteria established in our Income-Qualified Segment.

appliances and facility weatherization will be combined with bonus incentives to provide non-profit customers project funding above the Company's standard rebate offerings.

Direct install measures include:

- Screw-in LEDs;
- Kitchen and bath faucet aerators;
- Energy efficient showerheads;
- Exterior door weather stripping;
- Select ENERGY STAR® certified smart thermostats, AC Rewards for Business;
- Pipe Insulation

Direct installation measures will be paid in full to the implementer by the Company including installation costs and the non-profit will receive those measures free of charge.

Rebates

Rebates will vary depending on the type of measure installed. Prescriptive and custom measures will receive standard prescriptive rebates plus a 200 percent bonus for those non-profits demonstrating that they primarily serve the low-income market (up to the cost of the equipment).

Trade Partner Incentives

The Company proposes to provide Trade Partner incentives to HVAC trade partners performing HVAC equipment installations for this program. These incentives will match trade partner incentives for the HVAC +R Prescriptive program.

Quality Assurance

The program implementer will support QA/QC and evaluation by:

a) Compiling and completing all necessary Stage 3 QA/QC paperwork (e.g. incentive back-up documentation) for the customer and keeping accurate records that are available to the Company to support evaluation efforts.
b) Helping resolve any discrepancies that are identified through evaluation efforts.
c) Working with a third-party evaluator to verify the program is meeting or exceeding expectations if/when applicable.

The third-party evaluator shall also randomly select 20 percent of the completed improvements and perform an on-site verification to ensure the project was completed as specified.

Program Changes

Change	Rationale
Add measures proposed in our Low-Income Multi-Family Building Efficiency program	Simplify the opportunity for nonprofits to participate by minimizing the time they need

including mini-split heat pumps, window air conditioners, refrigerator replacement and recycling, where appropriate.	to execute audit recommendations and reduce the cost of implementation for them.
Add new direct installation of programable thermostats and thermostat adjustment measures.	Increase savings for participants
Direct installation of mini-split heat pumps as replacement for air conditioners and/or electric resistance heating.	Bill reduction, increased comfort and increased energy efficiency for participating non-profits.
Direct installation of smart power strips	Increased electric savings for both nonprofit commercial participants and for residential non-profit customers residing in non-profit run facilities such as homeless shelters, group homes or treatment centers.
Distribution of LEDs, showerheads and smart power strips individually through participating non-profits directly to low-income customers.	Provides an additional channel through trusted partners to provide energy saving measures to the low-income market.

Budget, Participation and Target Considerations

Targets, participants, and budget were estimated using information from similar holistic programs in our service territories. The dollars associated with providing services to improve the energy performance of these sites (audits, direct installation measures, equipment distribution and rebates) will be tracked and reported for inclusion towards our low-income spending requirement as identified in our Compliance Section. To be categorized as serving the low-income market the 501C3 will be registered to show they service income qualified customers by targeting their services in areas of concentrated poverty, or that they engage in provide basic housing, food or medical treatment services to income qualified clients.

The main budget drivers include the following:

- Utility Administration: This budget covers internal labor and expenses for program planning, promotion, implementation and vendor administration.
- Advertising & Promotion: As a new initiative with low awareness, the program will use customer education and conservation promotion funds, especially in year 1, to build interest, drive facility assessments and project follow through.
- Participant Incentives: This budget covers measure equipment and installation costs, rebates and bonus incentives paid when energy efficient upgrades are achieved.

Stakeholder Involvement

The Company continuously works to build relationships with existing agencies, non-profit organizations, and communities throughout the state. These partnerships allow us to improve program awareness and increase program participation. We are also members of a national ACEEE working group focused on energy efficiency for low-income customers.

16. PROCESS & COMMERCIAL EFFICIENCY

Program Description

The Process Efficiency program was included in the Company's previous Triennial Plan for 2021-2023; as was the Commercial Efficiency program. In this Plan, we have combined these efforts to reduce customer confusion and provide a comprehensive, holistic approach for both commercial and industrial customers.

The Process & Commercial Efficiency program is a strategic energy management approach to creating persistent savings and continuous improvement. In addition to capital equipment improvements for energy efficiency and demand response opportunities, the program stresses system-level operational changes as well as cultural changes from customers' senior management, mid-management, and other personnel. The program is targeted at medium to large sized industrial and commercial customers that have at least 0.3 GWh or 2,000 Dth of conservation potential. The program offers customized resources to develop a holistic, sustainable energy management plan. This program provides funding for studies to identify and scope energy efficiency opportunities. Rebates are available to customers who implement qualifying energy efficiency recommendations. This program is marketed to industrial and commercial customers by the Company's account managers.

Eligibility/Qualification for Participation

The program offerings are delivered in multiple phases. Each phase is defined in a Phase Letter that is customized to reflect the needs of the specific customer. Typical phases are described in the following sections.

Phase 1: Identification

Xcel Energy performs a high-level analysis to identify opportunities for energy savings in the customer's business practices, facilities, and operations. This is completed at no cost to the customer. Phase 1 is delivered using a third-party provider selected through a Request for Proposal (RFP) process.

Phase 2: Scoping

This phase provides support and resources to further define, measure, and provide recommendations and assistance for energy savings opportunities while working with the customer to optimize the business practices identified in Phase 1. Total funding for Phase 2 is based on estimated savings and a typical customer is asked to contribute up to 25 percent with a maximum amount of $7,500 or an equivalent investment or commitment. The purpose of the customer contribution is to ensure management-level engagement and the customer's commitment to a holistic approach. Phase 2 is delivered using internal resources and/or third-party technical experts selected through an RFP process, or through technology-specific experts of the customer's choosing.

Phase 3: Implementation Plan
The Company works with the customer to put together an energy management plan which includes conservation targets and energy conservation and demand reduction projects. This phase includes a customized rebate and bonus schedule that rewards energy efficiency savings and/or a system-wide approach.

Upon project completion, customers receive rebates for improvements that qualify for any of our prescriptive or custom programs. The savings are included in the Process and Commercial Efficiency program achievements but mirror the rules and rebate levels of our other programs. If the improvements do not qualify for rebates due to program rules, we claim the project savings in a manner consistent with our study-driven credit policy.

Phase 4: Energy Performance Indicator Services
Phase 4 is an option for customers who are interested in ongoing commissioning and/or continuous improvement. Specifically, this phase provides consulting services that support the customer through the process of installation, integration, and commissioning of energy information systems to demonstrate repeated and consistent improvements in energy usage. These services are offered to develop a baseline energy model and measurement and verification of energy savings due to behavior change and low-cost/no cost operational improvements. The offering can be done in conjunction with the Phase 2 offering or later in the engagement process.

Due to the holistic nature of this program, several policies have been previously filed and approved by the Department and continue to remain in effect:

- *Bundling:* When customers identify multiple measures for installation, a bundle can be evaluated to see if it qualifies for a rebate versus each individual component. This allows measures with too short of a payback for a rebate to be leveraged to drive projects with too long a payback for the customer to install so that both are implemented.
- *Preapproval:* Custom-type measures in Process and Commercial Efficiency require a custom analysis, but the actual date the project is submitted does not disqualify a project if it was initiated after the customer entered into the program. This is due to the extensive resources used by the program to identify and scope ways to drive energy efficiency into how a customer does business. The targets and awareness created during Phases 1 and 2 can result in projects that drive energy savings in business areas that act without immediately notifying the personnel in contact with the Company.
- *Rebate Bonuses:* We will use the rebate structure of the other end-use programs and then incorporate additional rebate bonuses for system optimization and/or exceeding annual achievement targets.
- *Facility-level Metering*: Facility-level metering provides us the ability to accurately account for all savings generated by installation of a measure and incorporate the savings that may be driven plant-wide that we have been unable to accurately capture historically.

Qualifying Upgrades/Measures

The Process & Commercial Efficiency program leverages all of the C&I portfolio of prescriptive measures, including motors, cooling, heating, and lighting equipment. Custom measures are also available for energy efficiency strategies not offered as a prescriptive measure.

Rebates

Incentives are calculated using the existing prescriptive and custom rebate levels.

Trade Partner Incentives

The Process & Commercial Efficiency program follows the trade partner incentive structure for the individual end-use programs.

Quality Assurance

During Phase 2 of the program, the consultant's draft report is reviewed for accuracy by the Energy Solutions Engineer prior to sharing it with the customer.

Program Changes

Change	Rationale
Merge Process Efficiency & Commercial Efficiency programs	Impacts Customer satisfaction, creates internal efficiencies and consistencies.
Provide financial and technical support for customers to investigate EFS opportunities.	More customers are choosing to go all electric and this will support their efforts.
Custom measure added for future load shifting opportunities	Optimize customer's usage to produce bill savings and reduce electric system costs.

Budget, Participation and Target Considerations

We determined the program's participation, energy savings targets, and budgets by examining historic participation levels, project and participation cycles, and costs.

The main budget drivers include the following:

- Utility Administration: These costs are driven by marketing, sales, engineering, and external labor resources to support the Company's heavy engagement with the customer, as well as cover the costs of those projects requiring metered verification.
- Customer Service: The Company utilizes third-party resources to deliver the program's identification and scoping phases.
- Participant Incentives: The program has a robust rebate budget due to the size of projects initiated through the Process and Commercial Efficiency program. In addition to standard rebates, Process and Commercial Efficiency offers lucrative bonus rebates for exceeding energy savings and/or implementing projects on a system-wide approach.

Stakeholder Involvement
The Process & Commercial Efficiency program works with Community Energy Organizations to promote the program and deliver its offerings. In particular, the Trillion BTU financing delivered by the St. Paul Port Authority and Xcel Energy could help customers fund large capital projects when financing is a barrier to implementation. We consider leveraging resources as they become available through these and other external organizations and consider integrating their offerings into both our program and our customers' energy management plans.

17. SELF-DIRECT

Program Description
Self-Direct was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Self-Direct is intended for financial incentives to larger business customers and commercial and industrial customers for their energy efficiency projects. These efficiency projects may pertain to natural gas and/or electric consumption and other energy affiliated savings. The Company is making no additional changes to the program at this time.

Eligibility/Qualification for Participation
This program is marketed through the Company's Account Managers and toward self-sufficient customers with an interest and capability to oversee their own energy efficiency improvement projects, as opposed to those who desire full-service via holistic products like Process Efficiency. The program gives larger self-sufficient retailers and public service providers, larger property management companies, manufacturers, and multi-national corporations the opportunity to plan efficiency around their business model and helps with their sustainably objectives and plans.

- *Preapproval:* Using our existing energy savings calculator, customers will identify their energy savings initiatives and submit their proposed energy saving plan, monitoring plan, and pre-project energy usage data to the Company for review and preapproval.

- *Completion:* Customers will submit their project calculations, completion documents, final report, and monitoring results, for review. The Company will issue final approval and a rebate check based on the achieved savings.

Qualified customers will be allowed to participate in other ECO programs offered by the Company but will not be eligible for a rebate for the same efficiency measure through another program. Also, because of this continued program's desired nature of this holistic approach, customers will not be able to enlist solely prescriptive or solely custom products alone whereby a prescriptive product offering exists; however, when customers identify multiple measures for installation, aggregation of

the technologies and analysis consideration is available. The existence of another program's promotion (bonus rebate) may not be applied to this program given the higher rebate.

Qualifying Upgrades/Measures

The process includes an analysis based on the customer's project scope and the projected savings against an appropriate baseline and achieved results. The final energy efficient solution must be cost effective.

Rebates

Rebate amounts are defined by the demand and energy savings attributed to the project. Successful applicants receive a rebate if their completed project passes cost-effectiveness testing.

Trade Partner Incentives

Not applicable.

Quality Assurance

Customers (or their vendor) will engineer, implement, and commission projects and will conduct, as appropriate, pre- and post-measurement validation as defined by the International Performance Measurement and Verification Protocol (IPMVP). The Company will provide the energy calculator to the customer for quantifying the energy savings potential for pre- and post-project work. This helps to define and develop baseline energy consumption model and measurement and verification of energy savings.

Program Changes

The Company is not proposing any changes to the Self-Direct program.

Budget, Participation and Target Considerations

Reviewing historical engagement and spending was used to define the program moving forward. We continue to understand that the anticipated sales cycle from project initiation to completion is about 18 to 24 months, and it represents a risk of stranded investments to the Company if a customer withdraws before completing their project. We will mitigate this risk by monitoring the customer's commitment throughout the process.

Stakeholder Involvement

We anticipate some customers will hire local consulting engineering companies to help design and manage their projects, and we also anticipate customers in area energy initiatives will also be involved. We will consider leveraging resources as they become available through these and other external organizations and consider integrating their offerings into our program and our customers' energy management plans.

INCOME-QUALIFIED SEGMENT

Overview

The Income-Qualified Segment is a portfolio of offerings dedicated to providing customers who meet the statutory definition of "low-income household"[34] with educational resources on how to understand and reduce their energy bills, energy-efficient equipment and building shell improvements, "pre-weatherization" improvements that enable the installation of conservation and weatherization measures, and trade resources to support workforce implementation of energy-efficient measures for this market segment.

For the 2024-2026 triennial period, the Company proposes to continue the income-qualified/low-income offerings it has delivered in the 2021-2023 period, with modifications in terms of program design, eligibility and the transition of the Workforce Development and Education program as low-income. The Company has also increased both the energy savings targets and budget for this segment over the triennium.

In 2023, we completed a study of our active programs within the income-qualified segment that is helping to inform better program delivery. Additionally, we continue to work with stakeholders to identify solutions to the barriers identified within the study itself. Based on these discussions to-date in this triennium the Company proposes program modifications for improving program access to renters, developing tools and resources to better inform customers what programs meet their needs and qualifications, and leveraging outreach through community service providers already working with these customers. Further, we propose to add additional measures and updated equipment incentives to areas we know have caused barriers or are necessary to increase energy efficiency with these customers. As we work to enhance our program offerings to this market, we are considering not only the programs and offerings described in this section, but also opportunities to serve income-qualified customers through market rate (or "hybrid") offerings.[35]

We propose to expand our program offering to include not just the residents' homes but also work with low-income individuals to engage them in the energy-efficiency industry through our Workforce Development and Education Program. This program provides direct support to income-qualified customers by engaging this market with the opportunity to join the energy-efficiency industry and more broadly helping to remove the barrier of workforce shortage in delivering conservation programs to income-qualified customers. We discuss this program and how we propose to utilize it for this triennial within this section.

[34] MN Stat. 216B.2402, Subd. 16.

[35] Specific income-qualified provisions of these "hybrid" programs are described in the summaries of each program; this section will consider only those programs that are exclusively income-qualified. Discussion of the expected contribution from both dedicated and "hybrid" programs to achievement of the statutory minimum spending for low-income households can be found in the Compliance section.

We will be working to develop additional resources to support income-qualified customers by engaging the organizations that already support them. We will continue to develop our network with non-profits serving the income-qualified market through the Non-profit Energy Saving Program, which will be launching in the second half of 2023. This program will assist them in reducing energy bills, so they have additional resources to provide the income-qualified segment. We will also work with these organizations to distribute additional educational materials on the program resources available to serve the income-qualified market and distribute easily installed conservation measures to their clients to engage them in saving energy. It is not currently proposed to be part of the Income Qualified Segment but our direct work through Non-Profit Energy Savings program with these organizations will be evaluated and we may request to include it in the segment in future filings.

Programs

The Company proposes to offer five programs in the Income-Qualified Market Segment in 2024-2026. All programs will include delivery of electricity and natural gas conservation measures or education that addresses both fuel sources.

- Affordable Efficient New Home Construction – This program works with builders contributing to the affordable housing segment and provides financial incentives for building high performance building envelopes and installing high efficiency mechanical systems.
- Home Energy Savings (HESP) - This program provides an assessment to identify opportunities to lower energy consumption and comprehensive energy efficiency upgrades including appliances and HVAC measures depending on the condition of the current equipment to customers in 1–4-unit residential buildings.
- Low-Income Home Energy Squad (LI-Squad) - This program provides an assessment and no cost, direct installation of efficiency measures to 1–4-unit residential customers. Additionally, the program identifies potential candidates for HESP.
- Low-Income Multi-Family Building Efficiency (LI-MFBE) - This program provides an assessment of common-spaces and centralized mechanicals in 5+ unit housing. It also includes direct installation measures both in-unit and in common spaces, and provides rebates, project management and trade incentives to support additional efficiency improvements. Installations within the unit may include appliances and HVAC depending on the condition of the current equipment.
- Workforce Development and Education – This program provides training and internships to enable placement in the energy-efficiency industry to low-income clients. This provides support directly to the income qualified segment by providing opportunities for careers delivering conservation and enables additional labor force development to delivery programs and serve the low-income market, many from under-served populations who are not currently represented in the workforce. In addition, scholarships are provided to income-qualified students for post-secondary training in fields that support conservation.

The Multi-Family Energy Savings Program (MESP) found in our 2021-2023 Triennial will be discontinued with low-income rental now served through the Multi-Family Building Efficiency-Low Income. This will avoid market confusion and allow us to leverage the structure, marketing, and delivery of the Multi-Family Building Efficiency program by adding enhanced services and rebates for the income-qualified market segment.

Where appropriate, the Company plans to use the spending that benefits income-qualified customers in demonstrating its compliance with the minimum spending requirement, consistent with the Department guidance on hybrid programs. We anticipate tracking spending and associated activity including Business New Construction for projects that serve the low-income market, Partners in Energy for outreach and education targeting the low-income market, Non-Profit Energy Savings for DIY measures distributed directly to income qualified customers and where assessments and direct installation measures for service providers can be shown to impact the Income-Qualified Segment, School Education Kits for schools located in a census tract area with a social vulnerability index greater than .80, and for pilots and research designed to improve our low-income portfolio.

Targets

The tables below provide a breakdown of the Segment participation, budget, and savings goals in proportion to our total portfolio.

Table 52a: 2024 Income-Qualified Segment

	Electric				Natural Gas		
2024	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Affordable Efficient New Home Con.	25	$414,778	10	110,585	11	$198,213	460
Home Energy Savings Program	4,864	$2,900,491	395	1,659,600	754	$2,909,990	8,963
Low Income Home Energy Squad	2,521	$1,137,714	283	1,655,817	945	$363,983	6,702
Low Income Multi-Family Building Eff	3,691	$2,298,051	676	2,115,334	1,126	$162,778	13,556
Workforce Development & Ed.	87	$2,438,368	-	-	13	$435,008	-
Income-Qualified Segment Total	**11,188**	**$9,189,401**	**1,363**	**5,542,337**	**2,849**	**$4,069,972**	**29,681**

Table 52b: 2024 Income-Qualified Segment

	Electric				Natural Gas		
2025	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Affordable Efficient New Home Con.	25	$414,690	10	110,585	11	$198,540	460
Home Energy Savings Program	5,497	$3,293,220	450	1,971,529	874	$3,539,922	10,378
Low Income Home Energy Squad	3,152	$1,196,872	354	2,069,771	1,181	$378,635	8,378
Low Income Multi-Family Building Eff	4,290	$2,819,758	824	2,647,837	1,255	$220,880	14,616
Workforce Development & Ed.	104	$3,272,181	-	-	16	$582,316	-
Income-Qualified Segment Total	**13,067**	**$10,996,722**	**1,637**	**6,779,722**	**3,337**	**$4,920,293**	**33,832**

Table 52c: 2026 Income-Qualified Segment

	Electric				Natural Gas		
2026	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Affordable Efficient New Home Con.	25	$413,743	10	110,585	11	$199,664	460
Home Energy Savings Program	6,150	$3,798,435	515	2,241,852	1,093	$4,729,485	13,129
Low Income Home Energy Squad	3,939	$1,256,787	442	2,587,214	1,477	$396,741	10,472
Low Income Multi-Family Building Eff	4,883	$3,265,152	990	3,407,067	1,384	$156,582	15,386
Workforce Development & Ed.	114	$3,615,554	-	-	17	$643,082	-
Income-Qualified Segment Total	**15,111**	**$12,349,670**	**1,957**	**8,346,718**	**3,981**	**$6,125,554**	**39,448**

Market Analysis

In 2023, the Company completed a Low-Income Program study. This will help inform the improvements and expansion of our programs by identifying potential gaps and needs in the structure and delivery of our low-income programs. Many of the areas identified addressed potential improvements in outreach and education versus the core program attributes. The Company is also exploring our ability to better serve the manufactured home market, how to prudently expand our ability to pre-qualify customers based on geographic indicators, and how to best educate the low-income market on options related to beneficial electrification while targeting customers who use electricity for space and water heating for efficiency improvements with heat pump technology.

Marketing/Advertising/Promotion

We leverage a comprehensive approach to build awareness of our low-income programs with customers, property owners and community agencies. In our Low-Income Program study, awareness was identified as one of the primary barriers to participation. In response, we will be working to provide additional outreach in the market leveraging not only our traditional mix of tools (advertising, direct mail, tabling at community events, workshops and social media) but identifying and testing new ways to reach additional audiences.

Policies

Policies related to the verification of income may vary by individual program to what extent we are able, we have identified overall eligibility below. Programs may have other eligibility requirements in addition to income. The Segment does not have additional unique policies. Each program will enforce its participation and equipment eligibility rules and requirements; however, they may be modified when warranted and within guidance from the Minnesota Department of Commerce.

Eligibility

For clarification, we provide the table below to show differing qualifications for our income qualified programs.

Table 53: Income-Qualified Eligibility Criteria
(with the exception of Affordable Efficient New Home Construction)

	HESP	LI- Home Energy Squad	LI- MFBE	Workforce Development
≤80% AMI	x	x	x	x
Limited Assistance Programs	x	x	x	x
Geographic Proxy	x		x	
WAP			x	

In addition, each program does have specific requirements above these eligibility criteria. Currently we used the Geographic Proxy Method on income-qualified Multi-Family Buildings and propose to extend this to HESP for this triennium.

Low-Income Households
To participate in the Income-Qualified Segment programs, customers must have met the definition of "low-income household" in MN Stat. §216B.2402, subd. 16. As modified by legislation passed into law in May 2023 in H.F. 2310, this includes households whose household income is 80 percent or less of area median income (AMI) for their area, or who meet the income eligibility standards for certain financial assistance programs. In this Plan, we also propose to broaden participation criteria, based on allowing automatic eligibility for customers participating in selected means-tested public assistance programs (e.g., the Supplemental Nutrition Assistance Program, the Women, Infants, and Children Program). The Company believes that these assistance programs are a good place to begin meeting the new legislation. As additional eligibility opportunities are added to the low-income household definition, the Company will continue to review and modify its programs based on the Department's requirements.

The exception to the participant income requirement is in the case of the Affordable Efficient New Home Construction program. In this program, "participants" are not customers but homebuilders; homes eligible for incentives through the program must be built with the expectation that the occupant will meet the income-eligibility requirements.

Minnesota Weatherization Assistance Program (WAP)
For rental properties the income qualification criteria will follow the WAP policy. In order to be weatherized, a single-family dwelling (one unit) must be occupied by an eligible household prior to the start of any weatherization activities. In multifamily building complexes, each individual building must meet the eligibility guidelines of 66 percent (50 percent for 2- and 4-unit buildings)

Geographic Proxy
The Geographic Proxy Method has been successfully used for income-qualified Multi-Family Buildings in 2022 and 2023. The method was used only if all other eligibility methods in the Department's March 15, 2022, CIP Policy Guidelines: Low-Income Programming in Multi-Family

Buildings with 5+ Units [36] have been exhausted. The multi-family guidance suggested three potential resources utilities could use to make the case for using a geographical proxy method to determine a building's eligibility and invited utilities to work with the Department on a case-by-case basis regarding using those or additional resources in order to help the Department learn more about this topic, track the concerns that are described in the Guidance Document, and prepare for future guidance document updates. The three resources are:

- Social Vulnerability Index ("SVI") [37]
- Census tracts like Opportunity Zones [38]
- Qualified Census Tracts ("QCT") [39]

Once it has been concluded that the only potential low-income eligibility pathway for a building is to use the Geographic Proxy option to qualify for eligibility, the preferred method is for the building to meet the following three criteria: (1)a high score of social vulnerability on the SVI,[40] (2) located inside an Opportunity Zone, and (3) located in a QCT. However, if the building is not in an Opportunity Zone, but meets both the Social Vulnerability Index Requirement and is in a qualified Census Tract, it may move forward due to the limited number of Opportunity Zones designated in each state.

To prevent targeting student housing when using the Geographic Proxy Method, the following will be excluded from the census tracks:

- Private and Public Colleges and Universities;
- 2-year, 4-year, and Graduate schools;
- Provide on-campus housing options for students. e.g., dormitories
- Have a Student Housing Office on campus, or
- Are adjacent to census tracts with any of the four characteristics listed above.

Because these types of educational institutions offer on-campus housing options, it is reasonable to assume that the average student is full-time, and some share of the students would be expected to come from a substantial distance away. Therefore, attractive market-rate multi-family student housing would likely be close to these Colleges and Universities to provide close, off-campus living options for married students, graduate students, students with families, students who do not want to live on campus, and students who find the multi-family building option more affordable and/or attractive than living on campus.

Census tracks will be permitted if they include public and for-profit colleges, 2-year, community, technical and graduate schools and do not provide on-site housing for students. Because these types

[36] CIP Policy Guidelines: Low-Income Programming in Multifamily Buildings with 5+ Units, https://mn.gov/commerce-stat/pdfs/low-income-in-mf-bldgs-15Mar2022.pdf, (Mar. 15, 2022).
[37] https://www.atsdr.cdc.gov/placeandhealth/svi/index.html
[38] https://mn.gov/deed/business/financing-business/tax-credits/opp-zones/census-opp-zone-tracts.jsp
[39] https://www.huduser.gov/portal/sadda/sadda_qct.html
[40] SVI score of 0.8 or higher

of educational institutions do not offer on-campus housing options, it is reasonable to assume that students are not full-time and would be expected to commute to school from local private residences.

Involvement with Interested Individuals and Entities
The Income-Qualified Segment programs will continue to be delivered through third-party vendors and we anticipate expanding engagement in delivery of outreach and education to include community service providers who serve this Segment. The Company is currently working with several both formal and informal stakeholder groups and individual entities to refine our existing programs, shape new offerings and discuss partnership opportunities. We have great appreciation for their willingness to share their experience and expertise delivering services to this Segment.

1. AFFORDABLE EFFICIENT NEW HOME CONSTRUCTION

Program Description
Affordable Efficient New Home Construction was added to Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Affordable Efficient New Home Construction is designed to target home builders contributing to the affordable housing segment and provide financial incentives for building high performance building envelopes and installing advanced mechanicals. For the Plan, the Company is proposing to add prescriptive rebates for heat pump water heaters.

Eligibility/Qualification for Participation
All home builders are eligible to participate in the Affordable Efficiency New Home Construction program.

Builders may be 501(c)(3) non-profits. Organizations that have broad community support, provide affordable home ownership or rental opportunities to income-qualified customers, provide non-discriminatory services to recipients, can measure the impact and effectiveness of projects, and the ability to issue financial statements to demonstrate their financial stability, are allowed to participate in the program. For these affordable housing builders, all homes being built with in Xcel Energy service areas with the Company providing the primary heating fuel will qualify for the program.

Market rate builders can participate by building homes in known areas of economic need in Company service territory; for example, in Minneapolis Green Zones or St. Paul ACP50 areas. Market rate builders can also participate in the program by partnering with an affordable housing public authority. For the latter, there are no geographic requirements.

The Company may route homes to our market rate program (Efficient New Home Construction) if the Company determines the as-built home is not intended for an income-qualified homeowner or if the Company does not provide the primary heating fuel.

Program participants utilize the services of RESNET Home Energy Rating System raters (Raters), who collect and submit the necessary information to participate in the program. Raters collect the same data as in the market rate program as well as verifying the required specifications below.

Qualifying Upgrades/Measures

All participating homes must have the following measures:

- Air infiltration at final inspection no greater than 1.5 ACH50
- High Efficiency Furnace or Air Source Heat Pump Installed
- High Efficiency Natural Gas or Heat Pump Water Heater
- High Efficiency Recovery Unit HRV Recovery of 67%
- Duct leakage at final inspection no greater than 2 CFM/100 CFA

Further details regarding specifics measures can be found in the portfolio measure details.

Participating homes may choose to follow a prescriptive path or performance path. The prescriptive path must have the five measures above, plus measures outlined in Table 54. Homes that use 5 5/8" Structurally Insulated Panels (SIPs) in lieu of R-19+5 walls are eligible for the 12-measure rebate, and homes that also use Insulated Concrete Form (ICF) foundation walls are eligible for the 13-measure rebate. The performance path must have the five measures above and have a building envelope with a UA that exceeds that of the 2012 IECC by at least 10 percent.

Table 54: Required Measures

Prescriptive Path	Performance Path
R-50 attic insulation	The building envelope must exceed the IECC 2012 UA by a minimum of 10%
R-19+5 continuous wall insulation or 5 5/8" SIPs	
R-12 Slab edge and R-15 foundation wall insulation or ICFs	
Window U-value 0.26	
R-5 door insulation	
Strategic door & window placement for solar heat gain	

Rebates

The Affordable Efficient New Home Construction has six different tiers of rebates available, outlined in Table 55. The rebate depends on whether the customer heats with Company-provided natural gas or electricity, and whether the home chooses a prescriptive or performance path to comply with program requirements. All rebates are paid to the builder upon project completion and submission of necessary paperwork from the evaluating Rater.

Based on upward pressure on building materials and feedback from known affordable housing builders, the Company elected to increase the rebates available in the Program.

Rebates will be paid according to upgrade type and cost in the schedule below based on how far they exceed the International Energy Conservation Code (IECC):

Table 55: Rebate Amounts ($) by Path & Customer Type

Prescriptive Path	Performance Path	Customer Type	Rebate
11 Measures	Exceeds IECC 2012 UA by 10-14.999%	Split system combo or gas heat customer	$17,000
12 Measures	Exceeds IECC 2012 UA by between 15 and 19.999%	Split system combo or gas heat customer	$19,000
13 Measures	Exceeds IECC 2012 UA by more than 20%	Split system combo or gas heat customer	$21,000
11 Measures	Exceeds IECC 2012 UA by 10-14.999%	All-electric customer	$17,000
12 Measures	Exceeds IECC 2012 UA by between 15 and 19.999%	All-electric customer	$19,000
13 Measures	Exceeds IECC 2012 UA by more than 20%	All-electric customer	$21,000
Electric heat pump water heater without CTA-2045 communications port		Combo customer	$400
Electric heat pump water heater with CTA-2045 communications port		Combo customer	$500

Trade Partner Incentives

There are no dedicated trade partner incentives for Affordable Efficient New Home Construction.

Quality Assurance

The Quality Assurance paradigm matches that of the market-rate Efficient New Home Construction program.

Program administrators will perform field reviews of five percent of program homes, verifying the information provided by the HERS raters. This includes a full duplication of the HERS rating to ensure consistency and compliance with Program expectations. Program administrators will also perform desk reviews of an additional ten percent of program homes, or more if individual participating Rating firms warrant additional scrutiny.

Program Changes

Change	Rationale
Add prescriptive rebates for heat pump water heaters to split fuel combo customers	Increase the market share of heat pump water heaters

Budget, Participation & Target Considerations

Budgets, savings targets, and participation are based on historical participation and production capacity of known affordable housing builders.

The main budget drivers include the following:

- Utility Administration: This category funds project planning and implementation along with program management. This includes the payment for the data aggregator serving the program.
- Participant Incentives: These funds cover rebates. The overall budget is based on the production capacity of known affordable housing builders.

Stakeholder Involvement

The Company works with all affordable housing builders who have participated in the Efficient New Home Construction program in the past to determine whether the Program meets the current market needs and realities.

2. HOME ENERGY SAVINGS PROGRAM

Program Description

The Home Energy Savings program (HESP) was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Home Energy Savings program is designed to target income-qualifying customers living in smaller building units (1-4 units) and provide energy audits, a home visit and energy bill analysis to educate participants about energy conservation opportunities. Based on the findings in the home visit, we determine the customer's eligibility for other offerings in the program, including home weatherization and appliance replacements. When appropriate, information regarding efficient fuel switching options will be provided to customers to highlight additional option for larger energy efficiency upgrades in their homes.

For the Plan, the Company is proposing to streamline the qualification process for customers, decrease measure copay for income-qualified building owners and add more cold climate heat pump options. We will continue to work with our implementers to explore new opportunities for education and outreach to drive program participation.

Eligibility/Qualification for Participation

To qualify for participation in HESP, Xcel Energy customers must meet the income qualification criteria described above, plus:

- Properties with two to four housing units, at least 50 percent of the households must have incomes below 50 percent of the State Median Income guidelines or 300 percent of the federal poverty level, whichever is greater; and
- Rental property owners must agree to maintain affordable rent to receive benefits from this program.

Eligibility may be granted for rental properties located in census tracts with a high social vulnerability index (greater than 0.8) and in qualified census tracts.

Rental Property Landlord Contribution

HESP will use the Weatherization Assistance Program (WAP) policy as the guidelines for 1-4 unit rental properties except in cases where the property owner also qualifies for HESP services. For rental properties where the owner is income qualified, HESP services are provided at no cost. In addition, we propose that weatherization measures will be provided at no cost in 1-4 unit rental property. Previously a landlord contribution was required at the discretion of the implementer. This change is discussed in more detail below. For all other rental properties, the property owner contributions will be handled as follows:

- Service Providers may not require property owner contributions for one-unit rental properties. However, contributions for two to four-unit dwellings are optional and may be accepted.
- Property owners must complete work to come into compliance with MN Statute 504B.161 or other local rental code, if identified through the audit. This work must be completed prior to or in conjunction with weatherization projects. This is not counted towards property owner contribution requirements.

To further clarify, the Company provides the following table to describe these contributions.

Summary of Co-Pay Contributions for HESP

Electric Service	Previous Owner Contribution	Previous Landlord Contribution* (1-4 unit)	Proposed (2024-2026) Owner Contribution	Proposed (2024-2026) Landlord Contribution (1-4 unit)
Home Energy Squad visits	N/A	N/A	N/A	N/A
Screw-in LED bulbs	N/A	N/A	N/A	N/A
Smart Power Strips	N/A	N/A	N/A	N/A
Energy efficiency aerators and shower heads in homes with electric water heaters	N/A	N/A	N/A	N/A
Refrigerator replacement	0	Up to 50%	0	Up to 20%
Freezer replacement	0	Up to 50%	0	Up to 20%
Window and Wall AC replacement and recycling	0	Up to 50%	0	Up to 20%
Air Source Heat Pump in electrically heated homes	0	Up to 50%	0	Up to 20%
Air Source Heat pump water heaters for homes with electric water heater	0	Up to 50%	0	Up to 20%
Attic Insulation for electrically heated homes	0	Up to 50%	0	0
Dehumidifiers	0	Up to 50%	0	Up to 20%
Electric Service				
Mobile Home Park floor insulation	0	Up to 50%	0	0
Smart thermostat	0	Up to 50%	0	0
Renter's Kit (Showerheads, Aerators)	NA	0	NA	0
Gas service				
Energy efficient aerators and showerheads in home with natural gas water heaters	N/A	N/A	N/A	N/A
Attic insulation and air sealing	0	Up to 50%	0	0
Wall insulation	0	Up to 50%	0	0
Furnace or boiler tune-up	0	Up to 50%	0	Up to 20%
Water heater replacement	0	Up to 50%	0	Up to 20%
Crawl space insulation	0	Up to 50%	0	0
Rim Joist Insulation	0	Up to 50%	0	0
Furnace replacement	0	Up to 50%	0	Up to 20%
Energy efficient water heater replacement	0	Up to 50%	0	Up to 20%
Mobile Home Park floor insulation	0	Up to 50%	0	0
Smart thermostat	0	Up to 50%	0	0
Renter's Kit Showerheads, Aerators	NA	0	NA	0

**Note that 50% landlord contribution is currently up to the discretion of the provider.*

Qualifying Upgrades/Measures

The program's main offerings include the following:

Free Electric Home Service	Free Natural Gas Home Services
Home energy educational visits	Energy-efficient aerators and showerheads in homes with natural gas water heaters
Screw-in LED bulbs	Attic insulation and air-sealing
Smart power strip	Wall insulation
Energy-efficient aerators and showerheads in homes with electric water heaters	Furnace or boiler tune-up
Refrigerator replacements and recycling	Furnace or boiler replacement
Freezer replacements and recycling	Water heater replacement
Window and wall AC replacements and recycling	
Air Source Heat Pump in electrically heated homes	
Air Source Heat Pump water heaters for homes with electric water heaters	
Attic insulation for electrically heated homes.	
Free dehumidifiers and dehumidifier recycling	

The main offerings are described below.

Electric Home Services

The home energy educational visits are available to all income-qualified customers in Xcel Energy's electric service territory and are provided during a Low-Income Home Energy Squad visit. Similar services can be provided through HESP if the customer has not previously had a Home Energy Squad visit. These visits include:

- Analysis of the electric bill;
- Home energy assessment and education;
- Inspection and evaluation of major appliances;
- Energy savings recommendations; and
- Distribution of energy conservation educational materials.

Appliance replacements are available to those customers whose appliances meet the following criteria:

- Customer must own the appliance or provide a signed waver to allow replacement and recycling of the old inefficient appliance;
- Appliance must be used on a regular basis;
- Appliance must be in working condition;
- Refrigerators must be the primary unit in the home unless the customer agrees to recycle a second working appliance as well; and

- Window or wall AC units with an EER rating less than 10.8.

Additional upgrades available for income qualified customers in Xcel Energy's Electric territory:

- Attic, wall, crawl space and rim joist insulation.
- Air Source Heat Pumps with a minimum of 16 SEER to replace existing inefficient central AC or no AC.
- Air Source Heat Pump Water Heaters to replace existing inefficient electric tank water heater.
- Residential Saver's Switch as an option for participants who have central AC. In addition, smart thermostats will be added as a new measure for customers who have Wi Fi.

Natural Gas Home Services

These services are available to all income-qualified customers in Xcel Energy's natural gas service territory:

- DOE standard energy audit including blower door testing;
- Detailed specifications for all weatherization measures;
- Insulation of attic and bypass sealing to an R-value of 48 or greater;
- Insulation of walls to an R-value of 11 or greater;
- Carbon monoxide detector installed with any weatherization job; and
- Furnace or boiler tune-up.
- Energy-efficient aerators and showerheads

We provide funding for the replacement of old inefficient furnaces, boilers and water heaters with the following:

- High-Efficiency Furnaces
- High-Efficiency Boilers; and
- High-Efficiency Natural gas water heaters

Further details regarding specific measures can be found in the portfolio measure details in the Appendix of this Plan.

As part of our strategy to increase participation in demand response programs, this program will also offer Saver's Switch® and Smart Thermostats for interested customers. Further details on demand response measures are provided in the technical assumptions.

Rebates

HESP does not offer rebates, but rather pays the full cost of measures for participants. Owner-occupied income qualified property owners will not be required to provide a co-pay for equipment. Property owners who are not income qualified may be required to provide a co-pay for a share of the equipment cost for appliances and HVAC equipment. This was previously up to 50 percent but

we are currently exploring lowering this to no co-pay for weatherization measures and 20 percent for HVAC equipment. We anticipate these reduced co-pays will drive incremental activity in rental properties. If successful, these co-pays will be standardized for all non-income qualified rental properties served through the program.

Co-pay exceptions may be made for non-income-qualified owners for buildings located in census tracts with a high vulnerability index (greater than 0.8) and qualified census tracts.

Trade Partner Incentives

No trade partner incentives are offered for this program.

Quality Assurance

The program implementer provides quality control through inspections and on-site supervision, and client satisfaction through follow-up inspections and surveys. The insulation crew leaders are Building Performance Institute (BPI) certified, and 50 percent of the insulation work is inspected by energy auditors. Both the insulation and HVAC contractors get program specs at the beginning of each year on equipment installed and quality installation information. The Company also follows WAP Quality Assurance requirements.

Program Changes

Change	Rationale
Add programmable thermostats as a HESP measure	Providing and programming thermostats if the customer does not have WiFi or is unable or unwilling to operate a smart thermostat will help residents reduce their heating and cooling costs. They are currently only provided to customers getting new furnaces.
Smart thermostats	Providing and programming smart thermostats will help residents reduce their heating and cooling costs. They are currently only provided to customers getting new furnaces.
Cold climate air source heat pump	New measure to increase options for households seeking to replace their air conditioning units while reducing electric costs and helping reduce their heating costs during the shoulder season.
Eliminate rental property co-pay for weatherization measures and reduce co-pay for HVAC equipment and appliances.	Increase weatherization participation to help increase achievement and potentially reduce the operating costs of future heating or cooling equipment.

Budget, Participation & Target Considerations Budgets, savings targets, and participation are based on current participation and achievement, feedback from implementers and expected growth driven by increased outreach to community-based organizations and collaboration with both implementers' other stakeholders.

The main budget drivers include the following:

- Utility Administration: Covers internal labor and expenses for program planning, implementation and vendor administration, and the services provided by Third-party program implementers.
- Participant Incentives: Covers the cost of the equipment/measures installed.
- Advertising & Promotion: The program's direct advertising, bill onserts, search engine marketing, communications outreach events and more are supported with these funds.

Stakeholder Involvement

The Company continuously works to build relationships with existing agencies, non-profit organizations, and communities throughout the state. These partnerships allow us to improve program awareness and increase program participation. We are also members of a national ACEEE working group focused on energy efficiency for low-income customers. Additional outreach funding has been added to this program so implementers can proactively collaborate with social service organizations serving income qualified customers to disseminate information about the programs and help them apply as needed.

Stakeholder input and experiences were critical to the recent Low-Income Program study completed by the Company. They provide insight into the improvement and expansion of HESP. We will continue to incorporate stakeholder input into the marketing plans and delivery of this program to remove participation barriers, improve outreach and education and simplify participation.

3. LOW-INCOME HOME ENERGY SQUAD

Program Description

The Low-Income Home Energy Squad program was included in Xcel Energy's previous Triennial Plan. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Low-Income Home Energy Squad program offers installation services to income-qualified electric and gas customers who seek to improve their homes' energy efficiency and comfort as well as lower their utility usage. The program directly installs several moderate-impact, low-cost measures for combination gas and electric customers and for electric-only customers who are natural gas customers of CenterPoint Energy. In addition, and where cost-effective, the program installs fuel-appropriate measures in Xcel Energy electric-only and gas-only territories where the operations vendor has identified potential customers. When appropriate, information regarding efficient fuel

switching options will be provided to customers to highlight additional option for larger energy efficiency upgrades in their homes.

The program seeks to assist customers' efforts to overcome barriers related to making energy improvements, including affordability, customer confusion about product choices, and locating qualified installers. The program offers a free audit to income qualified customers to choose from a suite of energy-saving measures of which some materials and labor costs may be covered. The program is marketed primarily within the metro area and larger out-state cities. Historically the audit for this segment has not usually incorporated an evaluation of air-sealing and insulation but we will be exploring opportunities to incorporate this into the services delivered where appropriate.
For the Plan, the Company is exploring new methods to promote this program. One example we are proposing is to increase outreach via canvasing in neighborhoods with high social vulnerability indexes and low program participation as well as participating in public events by having tables with multilingual educational and program information. Home Energy Squad has served to identify customers for the Home Energy Saving Program so as we grow the number of participants, we anticipate it driving additional customers to that program. the Company is also working to cross-promote with other programs in the form of written materials focused on income qualified offerings.

Eligibility/Qualification for Participation

To qualify for the Low-Income Home Energy Squad program, a participant must be an income qualified, natural gas and electric customer in the Company's service area or an electric-only customer who is a natural gas customer of CenterPoint Energy. Where cost-effective, the program installs fuel-appropriate measures in Xcel Energy electric-only and gas-only territories where the operations vendor has identified potential customers. Customers self-identify as being income qualified for this program.

Qualifying Upgrades/Measures

- LED light bulbs of various types & Enrollment in the AC Rewards & Saver's Switch programs
- Temperature assessment & setback of water heater
- Demand response retrofit devices for existing electric resistance water heaters (Combined with high-efficiency showerheads)
- wattages
- Weather-stripping of 2 external doors
- Smart thermostat installation & programming
- Setback of pre-existing programmable thermostats

Additional measures for customer purchase include electronic timers, premium smart thermostat installation and programming, second programmable thermostat installation, and weather-stripping for additional doors.

Rebates

The program offers a free audit to income-qualified customers, during which a member of the Home Energy Squad will assess their home for energy saving opportunities. Homeowners are then presented with the choice of multiple energy-savings measures, some of which will have materials and labors cost covered either in part or in their entirety.

Trade Partner Incentives

Not Applicable

Quality Assurance

Implementer provides quality control through inspections and on-site supervision, and Client satisfaction through follow-up inspections and surveys.

Program Changes

Change	Rationale
Addition of Direct Install Water Heater Pipe Insulation	Increase gas savings for customers at a relatively low cost while maintaining the convenience of the direct installation

Budget, Participation & Target Considerations The program budget is determined by cost estimates based on vendor proposals, the targeted number of participants and historical program expenses. The main budget drivers are:

- Utility Administration: This category funds program administration costs through third-party vendors and third-party labor for installing energy-efficient measures in customers' homes.
- Advertising & Promotion: This category covers print, broadcast, and interactive advertising, phone and street canvassing, and event promotion. New and increased outreach efforts to reach a greater number of participants are reflected here.

Stakeholder Involvement

The Company continuously works to build relationships with existing agencies, non-profit organizations, and communities throughout the state. These partnerships allow us to improve program awareness and increase program participation. We are also members of a national ACEEE working group focused on energy efficiency for low-income customers. Additional outreach funding has been added to this program so implementers can proactively collaborate with social service organizations serving income qualified customers to disseminate information about the programs and help them apply as needed.

Stakeholder input and experiences were critical to the recent Low-Income Program study completed by the Company. They provide insight into the improvement and expansion of Low-Income Home Energy Squad. We will continue to incorporate stakeholder input into the marketing plans and delivery of this program to remove participation barriers, improve outreach and education and simplify participation.

4. LOW-INCOME MULTI-FAMILY BUILDING EFFICIENCY (MFBE)

Program Description

The Low-Income Multi-Family Building Efficiency (MFBE) program will be a joint offering with CenterPoint Energy. CenterPoint Energy filed for this program on June 29, 2022 and received approval November 7, 2022. For the Plan, the Company is proposing to add a Low-Income Multi-Family Building Efficiency Program specifically targeted at Income Qualified buildings to match the filing submitted by Center Point Energy in 2022 (Docket No. G008/CIP-20-478) as described below.

The Low-Income Multi-Family Building Efficiency will be designed to target 5+ unit multi-family properties. Offered through one program implementer, in the same manner as the Multi-family Building Efficiency Program, it is designed to engage building owners by helping them understand their energy use, achieve immediate energy savings through low-cost improvements, and move beyond the initial measures for whole-building energy savings. The delivery model is a combined approach of a whole-building energy audit with direct-install phase to engage the building owners and achieve early savings, and a performance-based component to encourage further improvements in the building, then assistance to begin benchmarking their building and provide financial incentives for more complex, custom energy efficiency projects. These efficiency projects are intended to reduce natural gas or electric consumption in qualifying multi-family buildings. Incentives to reduce energy consumption are higher for the low-income offering to assist in overcoming the barrier of upfront costs. When appropriate, information regarding efficient fuel switching options will be provided to customers to highlight additional option for larger energy efficiency upgrades in their buildings.

For the Plan, the Company is proposing to add a Low-Income Multi-Family Building Efficiency Program specifically targeted at Income Qualified buildings to match the filing submitted by Center Point Energy in 2022 (Docket No. G008/CIP-20-478).

Eligibility/Qualification for Participation

Eligibility follows the March 2022 CIP Policy Guidelines: Low-Income Programming in Multi-Family Buildings with 5+ Units.[41]

[41] https://mn.gov/commerce-stat/pdfs/low-income-in-mf-bldgs-15Mar2022.pdf https://mn.gov/commerce-stat/pdfs/low-income-in-mf-bldgs-15Mar2022.pdf

As noted in the guidance, to qualify property owners and managers must demonstrate that the buildings meet the following requirements:

- 5+ units with functional kitchens
- Common entrances and common living areas
- Electric Service from Xcel Energy or
- Gas service from Xcel Energy or CenterPoint Energy
- The determination of whether a property is eligible to participate is reviewed on a case-by-case basis.
- Demonstrate that 66 percent of their tenants will be income qualified based on parameters defined in the Low-Income Multi-Family Building Efficiency program.

Buildings can also qualify by providing information about their eligibility via Geographic qualification. This methodology includes checking the building address to identify its Social Vulnerability Index (SVI), whether it is located in a qualified census tract (QCT) and if it is in an Opportunity Zone. To qualify the building must also not be deemed to be an excluded census tract due to it being deemed to serve as student housing.

Qualifying Upgrades/Measures

To encourage engagement, the program starts with a free whole-building energy audit and the direct installation of energy saving measures, with all services being provided by one third-party program implementer. After completion of the energy audit and direct installations, a written report identifying the building's baseline energy use, the audit findings and recommended energy savings opportunities that could receive a rebate and incentive is provided to the building owner/manager.

Direct install measures for Multi-Family Building Efficiency program include:

- In unit LEDs. LEDs must be installed by the implementer and not left for residents to install
- Common area screw-in LEDs
- Smart Power Strips
- Water Heater Set-back
- Kitchen and bath faucet aerators
- Energy efficient showerheads
- Exterior door weather stripping for gas and electrically heated buildings
- Refrigerator replacements and recycling: Provide new Energy Star Refrigerators
- Freezer replacements and recycling; Provide new Energy Star Freezers
- Window air conditioner (AC) replacements and recycling – 5,999 or less or 8,000 – 10,999 BTUh
- Wall/sleeve AC replacements and recycling; 8,000 – 19,999 BTUh

- Mini Split Heat Pump installation & recycling; 21+SEER, 9+ HSPF
- Dehumidifier recycling & replacement

Appliance replacement and recycling is provided to those buildings/units where the appliances meet the following criteria:

- Appliance must be used on a regular basis;
- Appliance must be in working condition;
- Refrigerator must be the primary one used in the unit, unless customer agrees to recycle a second working appliance as well; and
- Window/wall AC units must have an EER rating of 8.5 or less to be replaced.

Appliances that are replaced through this program continue to be the property of the original owner. For example, refrigerators owned by the building owner continue to be property of the building owner and AC units owned by the tenant continue to be property of the tenant.

In addition to direct install measures the program also provides:

- Renter educational materials
- In-unit electric energy assessments
- Renter kits.

The Company will continue to offer limited quantities of Renter's Kits for individual renters whose property owners/managers choose not to participate in the program, and consequently the renter did not receive the direct install measures in their individual unit. Since the Renter's Kits energy savings measures are limited to the individual unit, the kits alone do not provide the robust program benefits to the multi-family property and are therefore intended as a stop-gap measure to aid individual renters. The intent is that the renter can encourage their property owner/manager to participate in the program and receive the full array of benefits offered through the program to the whole building. Materials and resources are available to aid renters in communicating about the program to their property owner/manager.

The building owner/manager works with the program implementer to determine the energy improvements preferred for implementation from the audit report. The program implementer will provide review and oversight of equipment efficiency specifications oversee Quality Assurance/Quality Control (QA/QC) to ensure improvements are performed as specified and assists with the rebate and incentive submission.

As part of our strategy to increase participation in demand response programs, this program will be offering Business Saver's Switch®. Further details are provided in the technical assumptions.

Rebates

Participants moving beyond the assessment and direct-install phase of the program and choosing to undertake energy efficiency upgrades are eligible for rebates with a program bonus incentive equal to 200 percent of rebate value for work completed (up to the cost of the equipment).[42]

Trade Partner Incentives

The Company proposes to increase Trade Partner incentives from 10 percent to 15 percent of total rebates earned. This will be provided to HVAC contractors working on this program to assist in overcoming the barrier of providing services to low-income properties.

Quality Assurance

The selected contractors will be hired by the implementer to install the selected upgrades. The program implementer will ensure improvements are performed as specified, including collection and review of project documentation or on-site inspections. Each quarter, the implementer will select twenty percent of completed improvements to ensure the projects were completed as specified.

Program Changes

Change	Rationale
Separate out a Low-Income MFBE program targeted specifically to income qualified buildings. Integrate the former Multi-family Energy Saving Program into this offering.	Help bring additional attention to the enrollment and participation of buildings providing affordable housing. Enable specific marketing tactics to target disproportionately impacted communities. Match program offering filed in 2022 by CenterPoint Energy.
Offer MFBE and LIMFBE to customers within Xcel Energy electric territory regardless of Natural Gas provider	Expand the ability of additional electric only customers to participate in the program which will particularly benefit rural territories and electrically heated buildings.
Offer all multi-family buildings bonus incentives regardless of MFBE program application status	Increase multi-family building energy efficiency participation even after their program participation period (currently at two years) expires. Audit and direct installation services will remain available and encouraged, but not required to obtain bonus rebates. Encourage further savings.
Cap rebates at 100 percent of measure costs not including labor	Ensure consistency with CenterPoint Energy filing and align with program rules.

[42] Docket E,G999/CIP-22-41

Change	Rationale
Add Trade Ally incentives to the multi-family programs. Higher incentive levels for the low-income offering.	To encourage trade allies to promote the program and complete rebate paperwork for customers. Encourage trade to engage work with low-income properties.
Add new direct installation measures to include commercial programmable thermostats, window and sleeve air conditioners, and mini split heat pumps. These measure equipment and installation costs will be covered in full for LIMFBE.	Increase energy savings opportunities for customers and decrease barriers for busy building managers dealing with worker shortages.
Add additional insulation measures.	Increase energy savings opportunities for customers.

Budget, Participation & Target Considerations

The Company anticipates LI MFBE to initially engage approximately 20 percent or more of total MFBE building participants. Historically, 15 to-25 percent of participating buildings in MFBE have been income-qualified, but those percentages have been trending downward. With more aggressive targeting and higher incentives the expectation is that that percentage should grow with this new approach.

Budgets, savings targets, and participation are based on historical participation from income-qualified buildings for both Multi-family Energy Savings Program and buildings that qualified as low income that participated in the MFBE program. Participation, budget and savings are expected to increase with a clearer message and targeted communication in partnership with CenterPoint Energy for this program.

The main budget drivers include the following:

- Utility Administration: This budget covers internal labor and expenses for program planning, promotion, implementation, and vendor administration.
- Participant Incentives: This budget covers the direct installation measure costs, rebates and bonus incentives paid when energy efficient upgrades are achieved.

Stakeholder Involvement

Stakeholder participation incorporates both the rental industry and low-income stakeholders:

- Participation in Minnesota Multi-Housing Association Events.
- Engagement with non-profits including the Minnesota Council for non-profits Minnesota Housing Link, and others.
- Participate in the Energy Stakeholder Advisory Group (ESAG) meetings hosted by the Company in association with the Integrated Resource Plan and deliver information and presentations as needed.

5. WORKFORCE DEVELOPMENT AND EDUCATION

Program Description

The Workforce Development and Education program was included in Xcel Energy's previous Triennial Plan for 2021-2023 via a modification filed on December 23, 2020 and approved April 29, 2021 (Docket No. E,G002/CIP-20-473). The Company proposes to continue this project as described below in the 2024-2026 triennium. The Workforce Development and Education Program is designed to target unemployed and underemployed people living in historically underserved communities, including Black, Indigenous, people of color (BIPOC), and women residing in Green Zones of Minneapolis and Areas of Concentrated Poverty (ACP) 50 zones of St. Paul. The program provides paid energy efficiency and insulation training, paid internships and transportation help as needed for attending the training. Those who complete the training can earn the Building Performance Institute's Building Science Principles certificate. Successful graduates then get help finding energy efficiency related employment. This program also funds scholarships in two- and four-year colleges for income-qualified students who are pursuing a degree in an energy efficiency related career.

During the initial cohorts of in-person training, data was collected and submitted in the 2022 DSM Status Report[43] that shows a vast majority of participants were low-income in addition to being members of traditionally underserved and disproportionately impacted markets. Graduates who pursued employment opportunities through the program were hired by vendors who provide weatherization and energy efficiency service to our income-qualified market. The program has partnered with community service providers to deliver and recruit applicants who traditionally serve income-qualified clients, further assuring that this market receives the benefits of our Workforce Development program.

Workforce Development and Education Program (2022)

Participants in Training Program to Date	49
Number of Participants in Training Program Identified as Income-Qualified	48
Percent of Participants in Training Program Identified as Income-Qualified	98%
Number of Scholarship Recipients to Date	89
Number of Scholarship Recipients Identified as Income-Qualified	59 (based on 150% FPL)
Percent of Scholarship Recipients Identified as Income-Qualified	66%

Given the performance of the program in the market the Company is proposing this offering be considered as a low-income program, as it serves income-qualified and disproportionally impacted individuals and graduates are often serving low-income communities delivering energy-efficiency

[43] https://www.xcelenergy.com/staticfiles/xe-responsive/Company/Rates%20&%20Regulations/20-473%20-%202022%20Xcel%20Energy%20MN%20Status%20Report%20-%20for%20website.pdf

services. Throughout the 16-week internship, trainees spend over 500 hours working on income-qualified homes learning to install efficiency related measures with local service providers.

Eligibility/Qualification for Participation

To qualify for the training participants must be 18 years old, legally authorized to work in the U.S., have 5th grade level reading and math and basic computer skills. For the internships participants must also be able to obtain a driver's license by the beginning of the internship and to lift 40-50 lbs.

Currently candidates are screened for:

- Income at or below 80% Average Median Income (AMI)
- Live in the Green zones of Minneapolis or Areas of Concentrated Poverty (ACP) 50 zones of St. Paul, or
- Identify as a woman or BIPOC individual.

Those who apply and do not fit into any of these categories are referred to other opportunities. Energy Auditor candidates must also have: an insurable driving record, pass a one-time drug test, pass the Xcel Energy background check and have strong communication skills. Home insulator candidates should be able to pass the Department of Transportation (DOT) physical exam, be able to crawl, climb and move in tight spaces and an insurable driving record is preferred.

Qualifying Offering Categories:

The training program recruits students to receive:

- Classroom training on building science
- Hands on training about energy auditing, air sealing and insulation
- Wrap around services to include transportation support, childcare and employment search services.

Rebates

Not applicable.

Trade Partner Incentives

Not applicable.

Quality Assurance

Not applicable.

Program Changes

Change	Rationale
Request that this program be counted towards low-income spending	This program serves income-qualified and disproportionally impacted students who upon graduating can help better serve their communities.
Expand training offerings to include additional hands-on experience in a lab environment and guidance on how to start an insulation buisness.to individuals interested in becoming insulation contractors	There is a shortage of insulation contractors willing to work on low-income housing projects, including mobile homes.
Deliver program variations to outstate areas. Program will be modified meet the unique needs of the contractors and income-qualified residents in these areas.	Income-qualified residents in the outstate have additional challenges accessing training opportunities and new career opportunities. Trade and vendors express frustration in these geographies identifying qualified personnel to serve income-qualified and market rate customers with energy-efficiency programs.

Budget, Participation & Target Considerations

The main budget drivers of the Workforce Development training include the following:

- Utility Administration: This budget covers internal and implementor labor and expenses for program planning, program management, promotion, implementation, partner development and vendor administration.
- Advertising & Promotion: As a new initiative with low awareness, the implementer will use partner relationships and recruiting tactics to build interest, drive applications and project follow through with students before, during and after the program.
- Customer Service: This includes costs for trainers, stipends, and materials paid to the implementer.

It is our intent to continue to grow this offering and expand the geographic reach of the program. We will continue to look for opportunities to partner with community service organizations to expand our outreach and recruitment. As graduates are placed in the market, we will solicit feedback from trade partners on potential gaps and weaknesses and modify our training curriculum accordingly.

The program will continue to provide scholarships at levels like our current offering. We will continue to enhance the selection process to ensure funds are distributed to those most in need pursuing opportunities that support energy-efficiency. The main budget drivers for the CIP Workforce Development Scholarships are the scholarship funds and internal administrative costs.

Stakeholder Involvement

The implementer partners with various local non-profit organizations to help in recruiting, providing culturally specific support and additional wrap around services such as transportation, childcare, and housing needs. Both the implementer and the Company collaborate with other implementers and local community organizations to promote the workforce development program within the community.

DEMAND RESPONSE SEGMENT

Overview

Demand Response is commonly referred to as load management, which means an activity, service or technology to change the timing or efficiency of a customer's use of energy in a way that allows a utility or customer to respond to wholesale market fluctuations or to reduce peak demand for energy or capacity. Historically, this has primarily meant tools designed to shed electric load at times of peak consumption. In recent years, the definition of Demand Response has expanded to include demand management and load shifting – both of which allow a customer to manage their energy based on energy pricing and/or load availability. The Demand Response portfolio represents a mixture of programs and activities that allow a customer to manage their energy differently while adjusting the timing of energy usage or committing to reduce load when called on by the utility. Demand Response benefits all customers by helping create a more reliable electric system at a lower cost.

The ECO Act created the ability for the utility to expand demand response efforts – allowing for the inclusion of both traditional demand response efforts reducing a customer's net annual energy consumption and those that change the timing of use to reduce demand at targeted times without necessarily reducing annual energy consumption. In this Plan, we begin to explore new program opportunities and pilots that begin to move towards new opportunities for customers to manage their load and facilitate greater flexibility in order to improve the utility's ability to manage a dynamic grid. Generally, our portfolio is represented by a historically successful group of programs offering several customer options based upon customer need and desired energy goals. In addition, we have proposed new programs that begin to introduce the new opportunities presented by the ECO Act including Critical Peak Pricing. We have also incorporated load shifting opportunities; however, these appear as part of our Business Segment as they are combined with other holistic programs.

Programs

The Demand Response Segment proposes a comprehensive set of program offerings including both residential and commercial customers. Customer programs are aimed at providing differing levels of control opportunity for customers based on their preferences, including both automatic and opt-in opportunities to engage in demand response. Our segment proposes one residential program (encompassing a wide variety of products and measures) and four commercial programs. Unique to this segment, these programs include reduction of energy costs, incentives for the reduction of energy during utility-initiated events and behavioral programs to encourage a change in energy usage.

Targets

The Demand Response Segment provides both energy efficiency and load management as defined by Minnesota Statute §216B.241. Commercial AC Control is the only demand response program with natural gas savings; this is a result of the combined thermostat control offered as part of the program.

Table 56a: 2024 Demand Response Incremental Load for Programs & Pilots

	Electric				Natural Gas		
2024	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Commercial AC Control	4,017	$3,287,549	5,883	359,116	83	$32,765	639
Critical Peak Pricing	30	$216,200	22,910	90,259	-	-	-
Electric Rate Savings	60	$764,536	9,467	18,661	-	-	-
Peak Partner Rewards	65	$1,355,116	19,843	117,235	-	-	-
Residential Demand Response	824,430	$12,522,236	42,860	42,450	-	-	-
Demand Response Segment Total	**828,602**	**$18,145,637**	**100,963**	**627,721**	**83**	**$32,765**	**639**

Table 56b: 2025 Demand Response Incremental Load for Programs & Pilots

	Electric				Natural Gas		
2025	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Commercial AC Control	4,950	$3,750,507	7,024	552,387	150	$38,140	1,155
Critical Peak Pricing	50	$306,500	38,184	150,432	-	-	-
Electric Rate Savings	50	$735,687	7,889	15,551	-	-	-
Peak Partner Rewards	80	$1,465,934	22,324	131,890	-	-	-
Residential Demand Response	831,045	$13,013,280	42,244	49,905	-	-	-
Demand Response Segment Total	**836.175**	**$9,271,908**	**117,664**	**870,164**	**150**	**$38,140**	**1,155**

Table 56c: 2026 Demand Response Incremental Load for Programs & Pilots

	Electric				Natural Gas		
2025	**Participants**	**Budget**	**Gen kW**	**Gen kWh**	**Participants**	**Budget**	**Dth**
Commercial AC Control	5,950	$3,988,997	8,165	709,752	150	$41,307	1,155
Critical Peak Pricing	70	$307,000	53,457	210,605	-	-	-
Electric Rate Savings	40	$707,260	6,311	12,441	-	-	-
Peak Partner Rewards	100	$ 1,566,989	24,804	146,544	-	-	-
Residential Demand Response	836,160	$13,429,785	41,009	56,518	-	-	-
Demand Response Segment Total	**842,320**	**$20,000,031**	**133,746**	**1,135,859**	**150**	**$41,307**	**1,155**

Market Analysis

The Demand Response Segment reflects several market opportunities under demand response. Our programs leverage the following:

- *Load Shedding:*
  - Direct Load Control – The Company directly controls a customer's load, remotely, during periods of high demand creating a dispatchable resource. An example of this our Saver's Switch product.
  - Interruptible Tariffs – Customers agree to reduce consumption at a pre-qualified discount. These products are also dispatchable. Electric Rate Savings is an example of an Interruptible Tariff.
- *Load Shaping:*
  - Products that would fall into this category include offerings that are non-dispatchable, or those that are directly controlled by customers, such as pricing structures. This includes Critical Peak Pricing (CPP).

Of note, our ECO portfolio also includes load shifting opportunities for customers, these however, can be found as part our Business Segment.

Marketing/Advertising/Promotion

For commercial and industrial offerings, outreach and marketing efforts are primarily conducted through internal teams such as the Account Management team. There are several updated tools such as a program comparison chart and ongoing development of program comparison tools to assist account managers and business solution experts with marketing tools to assist customers in enrolling in the demand management program best suited for them. The Company has also created a reduction strategy by segment recommendation guide to help drive participation in demand management and provide ideas on how customers can reduce load during peak times with a customized planning template to accompany the recommendation guide. Email and direct mail campaigns are also utilized to recruit and maintain customers. There is often a longer sales cycle to secure enrollment in a demand management program and a partially customized approach to participation to assist customers with planning the Company offers planning templates. Often email campaign reminders and follow-up are used to continue communication and reminder follow up. Marketing and education training are needed for both new and existing business customers. We host annual training courses for existing customers as well as educational events to attract new customers. For demand management events, invitations, RSVP websites, promotional materials and follow-up materials are needed to ensure success. Product teams use available billing data to pre-screen and attract customers to the demand management program that will be right for their business and utilize materials above to assist and secure recruitment.

For residential offerings, marketing and outreach is primarily conducted through direct contact such as emails, direct mail, bill onserts, community events, and the online marketplace. The online marketplace works to align sales with email communication to customers around popular retail times of the year such as the beginning of cooling season Earth Day and Black Friday. The Company works across teams to promote thermostats as well as other products to enable more frequent communications to encourage participation in both energy efficiency and demand management in the marketplace. Residential programs utilize available data to target customers currently not enrolled in demand management with bill onserts on average bill onserts are sent to several thousand customers when utilized. In addition, the Company has been working with manufacturers, such as thermostat and battery manufacturers, to further encourage customers to enroll in demand response products.

Overall Policies

There are no Demand Response Program-specific policies. Individual demand response products may have unique policies as noted in each of the product summaries that follow.

Involvement with Interested Individuals and Entities

The Company continues to regularly meet with many organizations to refine existing programs, shape new programs, and discuss partnership opportunities. This includes work with individual customers through our Account Managers, industry leaders and equipment manufacturers.

1. COMMERCIAL AC CONTROL

Program Description
Commercial AC Control was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Commercial AC Control is designed to target small commercial customers and provide financial incentives for demand management projects.

Eligibility/Qualification for Participation
Commercial AC Control is a program that aims to manage system load by modifying customer air conditioning load during times of hot weather. There are two demand response products under the Commercial AC Control program: Saver's Switch for Business and AC Rewards for Business. Both products provide simple demand management solutions that are more accessible to small commercial customers.

- *Saver's Switch for Business* is available to business electric customers with central air conditioning. Participating customers receive a monthly discount on their June through September bills. In exchange for the discounts, participants allow Xcel Energy to cycle their air conditioner on and off during control events, which typically occur on hot, humid summer days. Air conditioners are controlled via a radio operated switch installed by a licensed electrician on or near the customer's air conditioner. The tariff allows for up to 300 control hours each year.

- *AC Rewards for Business* consists of thermostat-controlled measures. This product will capture the dispatchable demand savings associated with smart thermostats while the related energy efficiency savings will also be captured through new measures within the product. The smart thermostat demand response measures will be offered through a new direct install channel in addition to leveraging existing direct-installation channels. Customers will receive a free thermostat installation and be enrolled in the Company's demand response program. Customers will also receive a recurring prescriptive incentive in the form of a bill credit for remaining enrolled in the program.

For the AC Rewards for Business product, existing manual or programmable thermostats will be replaced with ENERGY STAR certified smart thermostats.

Rebates

Product	Incentive
Saver's Switch for Business	Monthly bill credits of $5 per ton of qualifying enrolled air conditioning from June through September
AC Rewards for Business	Annual bill credits of $25 per qualifying thermostat

Unlike other DSM programs there is no monetary incentive associated with Saver's Switch under our ECO Triennial as discounts are determined as part of our general rate case for the Control Rider. Rate details can be found in our Electric Rate Book in Section No. 5, beginning at 9th Revised Sheet No. 99.

Events

Events will typically occur on hot days during peak cooling times in the summer months of June through September between late morning and early evening hours. Historically, on average five to fifteen events occur each control season.

Quality Assurance

The program utilizes third-party consultants to conduct data collection for M&V to determine savings per switch for the Saver's Switch and AC Rewards for Business programs. At least one test event per year is conducted to verify load availability.

Program Changes

The Company is not proposing any changes to the Commercial AC Control program.

Budget, Participation & Target Considerations

The program budget and savings were developed based on equipment and installation costs for the number of switches to be installed and replaced. During this Plan, in addition to recruiting new participants, the Company intends to replace Saver's Switches older than 15 years. We also will conduct inspections of additional older switches to verify functionality and, if needed, replace with new hardware. The overall participant target is met with a combination of new installations and maintenance replacements.

The main budget drivers include the following:

- Utility Administration: This budget category covers the costs of internal labor for program planning and implementation, as well as the costs of external contract labor and software maintenance.
- Customer Service: The program uses a third-party to install the switches.
- Advertising & Promotion: This includes awareness campaigns for Saver's Switch for Business and Commercial AC Control.
- Participant Incentives: Enrollment and ongoing incentives for the AC Rewards product
- Measurement & Verification: The program hires a third-party to conduct data collection for M&V to determine the savings per switch.

Stakeholder Involvement

The Company recognizes that the HVAC community is in a position to influence customer attitudes towards the product. The HVAC community may also have lingering misconceptions about Saver's Switch being harmful to customers' air conditioners.

2. CRITICAL PEAK PRICING

Program Description

The Critical Peak Pricing (CPP) pilot was approved by the Department on January 19, 2023, for inclusion in the 2021-2023 Triennial. The Company proposes to continue this project as described below in the 2024-2026 triennium.

The Company's new time of use (TOU) rate tariffs in Minnesota Docket E002/M-20-86: General TOU and TOU CPP were approved by the Minnesota Public Utilities Commission (MPUC) on February 1, 2023. The CPP Pilot program as a two-year pilot to compare performance and customer interest and behavior between the two new TOU rate tariffs. The CPP Pilot program design is meant to encourage business customers to voluntarily reduce their usage based on price signals.

CPP is a two-year pilot beginning in 2023. However, this Plan is including the pilot through 2026 because of additional anticipated analysis and program participation in 2025 and anticipated continuation of the offering in 2026. The Company may present the Department with a modification to the Triennial creating a permanent program depending on pilot outcomes and any related changes to tariffs that will be filed with the MPUC.

Eligibility/Qualification for Participation

Critical Peak Pricing programs attempt to strongly encourage – rather than require – customers to reduce their usage during periods when forecasts indicate the electric grid will experience high system loads as a percentage of available generation capacity. The nomenclature "critical peak" is a reference to such periods. The term "pricing" indicates the Company will charge a high price for usage during these critical periods that will encourage customers to reduce their usage, rather than requiring pre-determined load reductions. During all other hours, customers are assessed lower charges.

The CPP tariff will be available to commercial and industrial customers who have existing interval metering. The CPP offering will; provide an additional customer choice, provide customers an opportunity to reduce their bill by managing their energy usage, and contribute to reducing system costs by reducing system peak via the response price signals. This program provides an alternative for customers who cannot or choose not to participate in the Company's other demand response offerings.

Participating customers will receive day-ahead notification of when "critical peak" periods will occur. To better manage their energy usage during CPP events, participants will be provided with access to their electric load profile data in near real time. Access to this data will not only allow participants to monitor their performance during events, but also provide insight into their energy use throughout the year.

The TOU CPP tariff is available to customers who meet the following criteria:

- Have demand equal to or greater than 50 kW over the last 12 months;

- Have load factor equal to or greater than 30 percent over the last 12 months;
- Are not a participant in another demand response program (customers may, however, switch from another program to the CPP rate if it does not violate the terms and conditions of either program); and
- Have an interval meter or an advanced meter.

Qualifying Upgrades/Measures

The program has one measure designed to capture participation data for events from 12:00pm – 8pm. Price signals will be used to provide an incentive to reduce system costs, including reducing system peak, ultimately reducing costs for all customers.

Rebates

The CPP Pilot program design is meant to encourage business customers to voluntarily reduce their usage based on price signals. The CPP Pilot program would establish four standard time blocks with three different rates.

Table 57: CPP Pilot Standard Time Blocks

12 am – 5:59 am	Off Peak	$0.0204/kWh
6 am – 2:29 pm	Base	$0.0422/kWh
3 pm – 7:59 pm	Peak Period	$0.0797/kWh
8 pm – 11:59 pm	Base	$0.0422/kWh

In addition, on non-holiday weekdays, the Company could call CPP events during the 3pm – 7:59pm Peak Period time block when the electric grid is expected to experience high system loads as a percentage of available generation capacity. Energy cost during a CPP event would be $0.5588 / kWh. Participating customers would receive a one-day advance notification or a minimum of 12 hours' notice of CPP events. CPP events will be a minimum of one hour but could be up to four hours.
Unlike other DSM programs there is no monetary incentive associated with this program under ECO as it falls under a general rate. Rate details can be found in our Electric Rate Book in Section No. 5, beginning at 14th Revised Sheet No. 33.

Events

The Company maintains flexibility regarding its ability to call events during the pilot, but the following three situations are considered to trigger an event:

1. The forecasted total available generation to load ratio falls below 120 percent;
2. Day-ahead locational marginal prices exceeding $120 per MW during peak hours;
3. A weather forecast showing multiple days of 85+ degrees.[44]

[44] Xcel Energy Reply Comments, Docket No. E002/M-20-86, April 28,2023. Page 2-3.

Budget, Participation & Target Considerations
All administrative and implementation costs are included in the annual budget. Unlike other DSM programs there is no monetary incentive associated with this program as it falls under a general rate.

The main budget drivers include the following:

- Utility Administration: This category covers costs associated with day-to day operations of the program. Included in this category are expenses for the third-party implementer assisting with the product.
- Customer Service: This category reflects the cost to purchase and install monitoring equipment at each participant's facility. Most of these expenditures are allocated to new participants and realized by the product during each customer's first year of participation. Future expenditures will reflect costs of growing the product incrementally and any ongoing equipment maintenance for current participants.
- Advertising & Promotion: This category is for marketing campaigns and associated collateral.

Targets and participation were determined through Docket No. E002/M-20-86.

Stakeholder Involvement
The TOU Pilot has gone through an extensive stakeholder process as described in Minnesota Docket No. E002/M-20-86.

3. ELECTRIC RATE SAVINGS

Program Description
Electric Rate Savings was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Electric Rate Savings is designed to target large C&I customers and provide a rate discount in exchange for load shed during dispatched events. The Company is not proposing any changes to the program in this Plan.

The program requires the need for ongoing customer support and communication to ensure the product delivers reliable results year over year. Therefore, marketing is continuous process—not a single event—which includes initial discussion to recruit participants, then ongoing communication to ensure customers know and can continue to evaluate the benefits of the product to retain these customers, and ongoing communication/education about how the product works.

Eligibility/Qualification for Participation
The Electric Rate Savings program is offered to any business customer that can reduce their electric loads by at least 50 kW during control periods initiated by the Company or the Midcontinent Independent System Operator (MISO). In return for committing interruptible load and the ability to reduce their demand, customers receive a monthly discount on their demand charges and can potentially save up to 50 percent on their demand charges over the entire year. The program is promoted directly to customers through our Account Management and Energy Efficient Specialists.

Rebates

In return for reducing their loads, customers receive a monthly discount on their demand charges and can potentially save up to 50 percent on their demand charges over the entire year.

Unlike other DSM programs, there is no monetary incentive associated with Electric Rate Savings under ECO as it falls under a general rate. Rate details can be found in our Electric Rate Book in Section No. 5, beginning at 23rd Revised Sheet No. 40.

Events

Events typically occur on hot summer days with high humidity, but events can happen any time of year. There are three types of events where customers must shed load as a participant of the Electric Rate Savings program. First, an event could be called by MISO due to severe weather conditions and/or major outages as well as reliability issues concerning generation or the grid system. Second, an event can be called by Xcel Energy for the same reasons. Third, participants are requested to voluntarily take part in an annual real power test required by MISO to validate shed performance prior to each planning year. This real power test will typically occur during the summer months but can occur any time during the current planning year for participants. Note that the Real Power event would only be scheduled in the event there was not another MISO event during that summer.

Quality Assurance

Customers are required to allow the Company to inspect and approve load control installation and equipment that monitors actual control during an event. In the event MISO calls an emergency curtailment during the year, the Company uses the customer performance data to modify the registered controllable load. This data can also be collected through a MISO Real Power test event, should there be no emergency event called.

Program Changes

The Company is not proposing any changes to the Electric Rate Savings program.

Budget, Participation and Target Considerations

The program's participation, targets and budgets were estimated using historical program performance and emerging market influences. The budget for this program includes labor costs for associated services and vendor services for maintaining the customer notification system, with the remaining costs attributed to customer communications.

Every year a program information packet is sent to each participating customer, explaining any program changes, reminders of their responsibility as an interruptible customer on a control day, and historical information. Due to the possibility of year-round controls within MISO as well as a required real power test event each year, it is crucial that the customer notification system be maintained to ensure customers are contacted during an event.

The main components of the program budget include:

- Utility Administration: This category includes labor costs for internal sales, sales support and fulfillment, marketing administration and planning, equipment installation and maintenance, project planning and implementation.
- Customer Service: Administrative costs for third party implementer for the development and maintenance of the customer notification system.
- Advertising & Promotion: We have budgeted to conduct an annual customer mailing, test event mailings, customer town meetings, and program collateral materials.

Stakeholder Involvement
Minnesota business customers have played a major role in the on-going dynamics of this product. Additionally, key internal stakeholders such as the Account Management team have provided consistent feedback on product performance and customer satisfaction that continuously influences product design and operations. The Company continues to meet frequently and interact with these business customers and internal stakeholders to encourage their input.

4. PEAK PARTNER REWARDS

Program Description
Peak Partner Rewards was included in the Company's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Company is not proposing to make any changes to the program in this Plan.

The Peak Partner Rewards program is offered to any business customer that can reduce their electric loads during control periods by at least 25 kW between June and September. With Peak Partner Rewards, customers can receive credits on electric bills for agreeing to reduce electric usage during periods of peak energy demand. Customers will receive additional bill credits when they reduce their electric usage by their agreed upon amount or more during control periods. The Peak Partner Rewards program is promoted directly through Account Management and Energy Efficiency Specialists.

The program requires the need for ongoing customer support and communication to ensure the product delivers reliable results year over year. Therefore, marketing is continuous process—not a single event—which includes initial discussion to recruit participants, then ongoing communication to ensure customers know and can continue to evaluate the benefits of the product to retain these customers, and ongoing communication/education about how the product works.

Eligibility/Qualification for Participation
The Peak Partner Rewards product is a Demand Response product designed to provide business customers an incentive for agreeing to reduce their electrical loads when the electric grid experiences peak demand periods.

Participating customers will sign an agreement to reduce load at their facility during peak demand periods. This load reduction will be determined by the customer based on their ability to manage operations within their facility but must be at least 25 kW during summer months, June through September, most likely between the hours of 12 p.m. and 8 p.m. the product is focused on providing an option to customers with smaller loads who do not qualify for other larger interruptible programs.

All agreements for the program shall be for an initial one-year term, with automatic one-year renewal terms. If a participant does not meet their contractual obligation during a Peak Partner Rewards event, they will not receive payment of their performance incentive. If a participant fails to meet their contractual obligation during two PPR events within the same calendar year, they will be dropped from the product. Should a participant elect to leave the product during their initial one-year contract term, a one-time fee of $500 will be assessed to cover costs associated with decommissioning hardware supplied to the participant for this product.

Rebates

Customers will receive a monthly credit (reservation incentive) based on this committed load reduction. When peak period events are dispatched, customers will receive an additional incentive based on their total load reduction, measured in kWh, during the event (performance incentive). Customers who participate in the product will receive an additional benefit of having access to their electric load profile data in near real time. Access to this data will not only allow participants to insure they are complying with their contractual obligations, but also provide insight into their energy use throughout the year.

Customers will receive two distinct incentives for their participation:

Reservation Incentive: The customer will receive a credit on their monthly bill for the capacity they have agreed to supply within their contract. This incentive is designed to keep customers committed to the product over the long term., the Reservation Incentive credit rate is $2.00 per kW of load reduction committed. This rate shall be subject to change annually.

Performance Incentive: Participants will receive an additional incentive based on actual performance during events if they meet or exceed their committed load reduction. This is designed to help ensure customers meet their obligation during actual events. The incentive is based on a participant's total energy reduction during the event period. the Performance Incentive credit rate is $1.35 per kWh reduced during a PPR event. This rate shall be subject to change annually.

Events

Demand response event periods are triggered as a result of capacity, contingency and/or economic constraints upon the electrical system. Based on historical system peaking conditions, events are most likely to be called during the summer months of June through September, but

events may occur in any month throughout the year.

Events will be no less than one hour in duration and no more than four hours in duration. Customers will be subject to no more than one event in any 24-hour period. No more than 15 events would be called for any one customer during a given year (60 total event hours annually). In addition to events called for a specific need, each customer may be subject to up to two test events each calendar year. The purpose of test events is to ensure participants are able to deliver the load reductions committed. Participants will receive the same incentive for test events as for actual events.

Should a capacity or contingency situation arise outside of the June – September months product participants may be notified and asked to curtail load on a "best effort" basis.
The customer will be under no obligation to reduce load, but those able to participate will be compensated for energy reductions at the tariffed incentive level.
Quality Assurance
The Company tests load availability at least one time per year to verify capacity.

Program Changes
The Company is not proposing any changes to the Peak Partner Rewards program.

Budget, Participation and Target Consideration
The program's participation, energy savings targets, and budget were developed based on the Company's ongoing experience with a Peak Partner Rewards program. The main budget drivers include the following:

- Participation Incentives: This category includes the Reservation and Performance Incentives paid to participating customers.
- Utility Administration: This category covers costs associated with day-to day operations of the program as well as consulting from Company staff to assist customers in identifying controllable loads and an appropriate load reduction value.
- Customer Service: This category reflects the cost to purchase and install monitoring equipment at each participant's facility. Expenditure is expected to be greatest in the early years of the program as the participant base is built. Future expenditures will reflect costs of growing the program incrementally and any ongoing equipment maintenance for current participants.
- Advertising & Promotion: Marketing and communication materials are created to communicate the features and benefits of the program. These marketing materials include a program guide summarizing key features and benefits and a Peak Partner Rewards website accessible on the Company's website to provide more extensive program information. Additionally, the Company will utilize its program management, account management, and Business Solutions Center teams to recruit customers. However, budget has been included for a third-party recruitment vendor to assist with these efforts if needed.

Stakeholder Involvement
Minnesota business customers have played a major role in the on-going dynamics of this product. Additionally, key internal stakeholders such as the Account Management team have provided consistent feedback on product performance and customer satisfaction that continuously influences product design and operations. The Company continues to meet frequently and interact with these business customers and internal stakeholders to encourage their input.

5. RESIDENTIAL DEMAND RESPONSE

Program Description
Residential Demand Response was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this program as described below in the 2024-2026 triennium. The Company offers four residential demand response products: AC Rewards, Behavioral Demand Response, Saver's Switch®, and Smart Water Heaters. All offerings are primarily promoted through online and TV advertising, email, direct mail, and the Company's customer care organization. Residential Demand Response products offer a mass market opportunity to assist in grid flexibility when dispatched. The Company is proposing to adjust the program in this Plan as described below.

Eligibility/Qualification for Participation

AC Rewards
AC Rewards, which launched in 2017, also seeks to reduce AC load during demand peaks. Participants can receive bill credit incentives for enrolling a qualifying thermostat, and receive annual bill credits, in exchange for allowing the Company to temporarily adjust the set point on the thermostat during control events. Only certain thermostats are eligible for enrollment; however, the Company continues to add further manufactures to the eligibility list. Customers can enroll through the Bring Your Own Thermostat (BYOT) channel or through the direct install channel, in which case customers receive a free smart thermostat and installation on behalf of Xcel Energy.

- Customers joining AC Rewards receive a $100 bill credit (BYOT only).
- The annual participation incentive is $25, paid out in October via a bill credit.

AC Reward participants retain the ability to override individual control events, except in the case of a systems emergency. The Company reserves the right to remove from the product participants that are deemed to be overriding too many events as defined in the customer agreement.

In the Triennial Plan for 2021-2023, the AC Rewards product also included Thermostat Optimization. The Thermostat Optimization product is designed to provide residential customers year-round savings using smart thermostat technology. The product incentivizes residential customers to purchase and install smart thermostats that have earned the ENERGY STAR® Connected Thermostat certification and are compatible with the Residential Demand Response product, resulting in year-round electric and

natural gas savings. This product is available to combination electric and natural gas service customers, natural gas service residential customers who have central gas heating or electric service customers who have central air conditioning. For the 2024-2026 triennium, the Company will be moving these measures to the Residential HVAC program. These energy efficiency measures will live under an energy efficiency program, while AC Rewards will focus on demand response measures. This will allow for better alignment and cohesion for both the customer and for the Company to manage internally.

Behavioral Demand Response/Energy Action Days

Behavioral demand response is a mechanism to reach out to customers asking them to voluntarily reduce load during peak times. It does not require specific enrolled equipment for the customer, or control equipment for the Company. Small adjustment to the use of appliances during the event by large numbers of customers has the potential to have a sizeable impact on the grid. Participation is voluntary. There are no incentives or penalties for participation or non-participation.

Behavioral Demand Response was added to the Residential Demand Response via a modification request in the fourth quarter of 2022. The product being offered is called "Energy Action Days" to the customer. The product uses digital communications and behavioral science messaging to encourage residential customers to reduce energy consumption during peak events. To reduce energy use on these days, customers enrolled in the Behavioral Demand Response program receive communications designed to motivate them to be energy efficient during the specified event window.

All residential customers with adequate contact information that have not previously opted out of Xcel Energy communications are eligible and will be enrolled by default. Enrolled customers can opt-out at any time. The overarching strategy is to target a very small change in each participant, but to cast a large enough net that the number of participants, and thus the aggregate savings, are meaningful.

Saver's Switch

Saver's Switch is Xcel Energy's largest residential load management offering. The product gives participating customers bill discounts in exchange for allowing the Company to reduce their air conditioning and, if applicable, water heater usage on days of peak demand. During a control event (typically a hot, humid day or evening), air conditioners are cycled on and off to reduce load on the grid.

Enrolled electric water heater load is shed entirely for the duration of the control event, which can occur at any time of year. Previously heated water would be available for customer use, but water heaters would not heat new water until the end of the event. Unlike the AC program, water heaters can be turned off at any time of system need, not just during the traditional summer afternoon peaks.

Air conditioners and water heaters are controlled via a radio operated switch installed by a licensed electrician on or near the customer's central air conditioning unit. Participants in the air conditioning

program have the option of enrolling a qualifying electric water heater; however, customers cannot enroll a water heater on its own. The program's main offerings include the following:

- Customer incentive of $40 per year for participation or $10 per month between June and September.
- Water heater participants receive $2 every billing month (annually) for $24 per year.

The Saver's Switch program has operated in Minnesota since 1990. Many of the switches installed early in the program are now beyond their estimated 15-year useful life. In this Plan, we intend to continue to proactively replace switches more than 15 years old.

Smart Water Heaters

The Smart Water Heating product was a new addition to the previous Triennial plan. Due to the global supply chain issues affecting the supplier of control modules, the product has yet to launch. Upon launch, the product will offer customers with qualifying heat pump water heaters bill savings in exchange for allowing the utility to adjust settings on the water heater.

Smart water heaters are new product to Residential Demand Response. Customers owning qualifying electric heat pump water heaters capable of receiving control signals from the utility are eligible for enrollment. Qualifying enrolled water heaters will be controlled in two ways:

- Morning peak demand load reduction – The temperature setpoint of enrolled water heaters would be increased slowly in the early morning hours with the heat pump mechanism. At the onset of the morning peak period, the water heater would be filled with hotter-than-normal water. Hot water from the water heater would be diluted with a mixing valve to deliver water at standard distribution temperatures. The water heater would rely less, if at all, on electric resistance operation to meet peak morning demand, conserving energy.
- Afternoon peak demand load reduction – In a peak load event, normally on hot summer afternoons, the enrolled water heaters would be turned off for the duration of the control event. Previously heated water would be available for customer use. However, water heaters would not heat new water until the end of the event. This part of the Smart Water Heaters product operates the same way as an electric water heater enrolled in Saver's Switch.

To participate, customers need to have a water heater equipped with a receiver for over the air operating instructions and a mixing valve as a safety measure for when water in the tank is heated beyond the original set point. Participants in the program will receive a one-time $75 enrollment bill credit and an annual $25 bill credit for their participation.

Rebates

Product	Incentive
AC Rewards	$100 enrollment incentive (BYOT only) $25 annual participation incentive
Energy Action Days	No Rebate Provided
Saver's Switch	Participating air conditioning customers receive a 15 percent discount off the electric energy charges on their bills between June and September. Water heater participants receive 2 percent off the same charges year-round.
Smart Water Heaters	$75 enrollment bill credit $25 annual participation incentive

Unlike other DSM programs there is no monetary incentive associated Saver's Switch under ECO as discounts are determined as part of our general rate case for the Control Rider. Rate details can be found in our Electric Rate Book in Section No. 5, beginning at 9h Revised Sheet No. 97.[45]

Xcel Energy will provide Trade Partner incentives to HVAC contractor for the Smart Water Heater product. This is for:

- Installing a mixing valve for qualifying heat pump water heaters ($150)
- Facilitating the customer enrollment in the product, following the water heater installation ($150)

Events

Events are called depending upon product as described above.

Quality Assurance

The program utilizes third-party consultants to conduct data collection for M&V to determine savings per switch for the Saver's Switch and AC Rewards for Business programs. At least one test event per year is conducted to verify load availability.

To be eligible for the Smart Water Heater enrolment, customers must use a participating contractor for the installation of a qualifying heat pump water heater. The HVAC contractor must also install a qualifying mixing valve. Participating installation companies have at least one installer who has taken and passed an online QI assessment. Xcel Energy also accepts, but does not require, North American Technician's Excellence certification to become a participating contractor. A list of participating contractors is available to customers from Xcel Energy.

[45] We further note that incentives will change as reflected in this filing per the Commission's June 1, 2022 hearing in Docket No. E002/GR-21-630.

Program Changes

Change	Rationale
Increase AC Rewards enrollment incentive from $75 to $100	Drive interest and enrollments into the product through a more alluring and competitive incentive for the customer. This change was communicated and approved through a Courtesy Notification on 03/07/2023.
Thermostat Optimization energy efficiency measures have been moved from AC Rewards to the Residential HVAC program	These EE measures will now live under an EE program while AC Rewards will focus on DR measures. This aims to simplify the product offering to the customer and allows for better alignment and cohesion to manage internally.

Budget, Participation and Target Consideration

The program's participation, energy savings targets, and budget were determined by reviewing historical achievement and industry changes.

Saver's Switch was based on equipment and installation costs for the number of switches to be installed and replaced. During this Plan, in addition to recruiting new participants, the Company intends to replace Saver's Switches older than 15 years. We also will conduct inspections of additional older switches to verify functionality and, if needed, replace with new hardware. The overall participant target is met with a combination of new installations and maintenance replacements.

The main budget drivers include the following:

- Utility Administration: This budget category covers the costs of internal labor for program planning and implementation, as well as the costs of external contract labor and software maintenance.
- Customer Service: The program uses a third-party to install the switches. Additionally, ther are third-party reviews for implementation for Energy Action Days.
- Advertising & Promotion: This includes awareness campaigns for Saver's Switch for Business and Commercial AC Control.
- Participant Incentives: Enrollment and ongoing incentives for the AC Rewards product
- Measurement & Verification: The program hires a third-party to conduct data collection for M&V to determine the savings per switch.

Stakeholder Involvement

The Company recognizes that the HVAC community are able to influence customer attitudes towards the product. The HVAC community may also have lingering misconceptions about Saver's Switch being harmful to customers' air conditioners.

EFFICIENT FUEL SWITCHING SEGMENT

Overview

"Fuel switching" refers to a utility program that provides incentives for customers to switch from one fuel type to another to serve the same end use. As an example, encouraging customers to replace a natural gas water heater with an electric water heater would be considered "fuel switching". Historically, utilities were prohibited by Department policies from including fuel-switching incentives in their energy efficiency portfolios, even in cases where the switch resulted in efficiency, cost savings or reduced emissions. With the passage of the ECO Act, however, fuel switching may be allowed under certain conditions provided certain eligibility criteria are met. Measures or programs that meet these criteria, following technical guidance issued by the Department, are referred to as "efficient fuel switching" (EFS).

As Minnesota's only investor-owned combination gas and electric utility, Xcel Energy is uniquely situated with respect to EFS. The Company believes that EFS measures will have a key role in achieving its aggressive emission-reduction goals for both its electric and natural gas businesses. At the same time, the market for many EFS measures is nascent and their long-term impact on both the gas and electric systems is not yet certain.

Minn. Stat. 216B.241 creates some key controls on the implementation of EFS, particularly in the short term. Specifically, utility spending on EFS is limited over the course of the 2024-2026 Triennium; the technical requirements for measures to qualify as EFS are deliberately rigorous; and the statute makes clear distinctions between EFS and energy conservation. Related to this last point, electric and natural gas utilities are treated slightly differently regarding energy savings that result from EFS: Electric utilities may not claim savings resulting from EFS towards their energy savings targets nor include their impact in calculation of shareholder incentives. Natural gas utilities, however, may claim gas savings from measures that seek to move customers from gas to electricity, and may include such savings in the calculation of performance incentives – provided in both cases that the gas utility achieves energy savings of at least one percent of sales through non-EFS measures.[46]

As a result of these requirements, the Company has carefully considered which measures and programs to offer, the appropriate source of funding for each, and the Company's experience with early electrification programs in our Colorado service territory. The result is the incorporation of over 20 proposed EFS measures, many of them integrated as additional measures within existing energy efficiency programs. There are also two dedicated EFS programs, described in more detail below, aimed at market transformation efforts to support broader adoption of EFS and at an equipment segment for which the Company has not previously offered incentives: outdoor equipment. The

[46] Certain additional criteria also apply to EFS. A detailed demonstration of how the Company's proposed EFS measures and programs comply with the established criteria is provided in the Appendix under "EFS Screening Criteria". Here, the Company highlights only these two key provisions of ECO – spending caps and treatment of savings – to discuss how they have informed its incorporation of EFS into the portfolio.

Company's proposed policies (for both EFS measures broadly and the two dedicated programs) are also detailed below, including how the Company proposes to allocate different types of spending between gas and electric budgets. This is particularly important given both the spending caps and the fact that many EFS technologies include both fuel-switching and traditional energy-efficiency aspects.[47]

While roughly 80 percent of the Company's natural gas customers also receive their electricity from Xcel Energy, about seventy percent of Xcel Energy electric customers are not Xcel Energy natural gas customers. Many – likely the majority – of these receive natural gas service from CenterPoint Energy, while the remainder either have another natural gas utility or no natural gas service at all (relying on either delivered fuels or electric heating). A critical piece of successfully moving customers to adopt EFS measures will be ensuring that incentives are consistent across a variety of utility service territories – including across combinations of utilities.[48] Accordingly, the Company has sought to collaborate with CenterPoint Energy with the goal of establishing similar technical assumptions, program policies, and incentive levels. In many cases, the two utilities were able to reach agreement on very similar, if not identical, approaches. Both utilities also recognize the value of continuing to collaborate in the implementation of programs for our shared customers.

However, the two companies could not reach agreement on the appropriate level of incentive for certain EFS measures, including air-source heat pumps (ASHP). Based on experience in Colorado since 2021, the Company believes that the rebate necessary to move the market for these measures is higher than the amount proposed by CenterPoint Energy. The incentive amounts proposed in this Plan for ASHP and other measures – and the cost allocations described for those incentives – are the ones that the Company intends to offer to its combination customers who receive both natural gas and electricity from Xcel Energy. CenterPoint Energy, and possibly other natural gas utilities, may offer their gas customers a smaller gas EFS rebate than the amount proposed here. To ensure that all Xcel Energy customers – natural gas, electric, or combination – are able to receive the same rebate amount for the same measure, the Company proposes a "Geographic Consistency" policy. Through this policy, the Company will use electric EFS funding to make up the difference between the incentive paid by a customer's gas utility for a given EFS measure and the amount the customer would have received if they received natural gas service from Xcel Energy. No savings will be claimed by Xcel Energy for these rebates, consistent with the statutory prohibition on electric utilities claiming savings for EFS. Further detail on the implementation of this policy is presented below, under "Overall Policies" for the EFS segment.

The Company also recognizes that many EFS measures – space heating measures in particular – bring both up-front and operating costs for customers. While overall energy use (and associated emissions)

[47] For example, installation of an air-source heat pump creates an opportunity for both an EFS rebate – to encourage switching away from gas for heating – and an electric energy-efficiency rebate to reflect the value of the more-efficient cooling of the heat pump compared to a traditional air conditioner.

[48] The Deputy Commissioner has also determined that to the extent possible, utilities shall work together to coordinate offerings that overlap service territories. See, *Decision, In the Matter of Technical Guidance for the Inclusion of Efficient Fuel-Switching, Load Management, and Pre-Weatherization Measures in CIP*, Docket No. E,G999/CIP-21-837, March 15, 2022, Appendix A. (Technical Guidance).

may decrease, the difference in per-unit-of-energy costs between natural gas and electricity has the potential to result in gas bill savings that are significantly diminished or even eclipsed by increases in electricity bills.[49] This argues for two important considerations related to EFS. First, it is important to ensure that customers (as well as trade allies) are given clear information about the systems they are considering installing to make sure they meet the customer's needs and are both installed and operated correctly. This is particularly important in the context of income-qualified programs. The Company proposes to make EFS measures available through its income-qualified offerings, and the Company and its implementers will carefully consider each installation to ensure that the equipment installed is appropriate and likely to result in cost savings for the customer.

Second, the Company continues to consider how its existing electric rates may need to change to ensure that the benefit that EFS measures bring to the electric grid is reflected in their value proposition to customers. Because those potential rate changes are not certain at this time, the evaluation of residential EFS measures for space heating conducted for this filing is based simply on an assumption that the customer installing the measure would move from a standard residential rate to the currently approved residential electric space heating rate.

In considering how to promote and incentivize the measures included in the EFS component of this Plan, the Company needed to consider (among other things) which sorts of costs would be allocated to electric EFS versus gas EFS. This is important both for ensuring the appropriate customers are paying for a given program or measure, and for tracking spending against the statutory spending caps for EFS. The Company proposes to fund direct customer incentives for measures that would shift consumption away from natural gas provided by Xcel Energy using gas EFS dollars. Other types of spending, such as contractor training, incentives for electric panel upgrades, and incentives that involve switching away from a fuel that Xcel Energy does not deliver (including the "Geographic Consistency" rebates described above), would be funded with electric EFS spending.

As noted above, the Company has offered its Colorado customers incentives for fuel-switching (or "beneficial electrification," as it is referred to in that state) since 2021. In that time, customer participation and interest has grown substantially, albeit from a modest initial level. The Company is excited to bring similar offerings – and some entirely new ones – to benefit its Minnesota customers and believes that its experience in Colorado will provide valuable insights as EFS grows as a market segment.

Measures and Targets

In the 2024-2026 ECO Triennial, the Company proposes new fuel-switching measures and two dedicated EFS programs. Table 58 summarizes the proposed EFS measures along with noting which program(s) and segment(s) will offer the measure. Please see the Appendix for further details on cost-effectiveness and EFS screening.

[49] For any given customer, the impact of fuel switching on operating costs will depend on a variety of factors including weather, usage habits, natural gas commodity costs, overall building efficiency, and possibly others.

Table 58: 2024-2026 Proposed EFS Measures

Measure	Program(s)	Segment
Custom Efficient Fuel Switching	Custom Efficiency, Business Energy Assessments, Process & Commercial Efficiency	Business
EDA for Efficient Fuel Switching, gas to electric	Business New Construction	Business
EDA for Low Income efficient fuel switching projects, gas to electric	Business New Construction	Business
EEB for Efficient Fuel Switching, Gas to Electric	Business New Construction	Business
EEB for Low Income efficient fuel switching projects, gas to electric	Business New Construction	Business
Electric Commercial Lawn Mower	Outdoor Equipment	EFS
Lithium-Ion battery forklift	Compressed Air	Business
Centrally ducted dual fuel ASHP	Residential Heating and Cooling, HESP, LI Multi-family, Whole Home Efficiency	Residential/Income Qualified
Centrally ducted dual fuel cold climate ASHP	Residential Heating and Cooling, HESP, LI Multi-family, Whole Home Efficiency	Residential/Income Qualified
Non-ducted cold climate Mini-Split Heat Pump w/ Gas Furnace backup	Residential Heating and Cooling, HESP, LI Multi-family, Whole Home Efficiency	Residential/Income Qualified
Non-ducted dual fuel MSHP w/ gas furnace backup	Residential Heating and Cooling, HESP, LI Multi-family, Whole Home Efficiency	Residential/Income Qualified
Dual Fuel RTUs < 5.4 tons	HVAC+R	Business
Dual Fuel RTUs 5.4 - 11.3 tons	HVAC+R	Business
Dual Fuel RTUs 11.4 - 19.9 tons	HVAC+R	Business
Dual Fuel RTUs 20 - 63.3 tons	HVAC+R	Business
Dual Fuel RTUs >= 63.3 tons	HVAC+R	Business
Commercial Size Heat Pump Water Heater EFS	HVAC+R	Business
Residential Style Heat Pump Water Heater EFS	HVAC+R	Business
Push Lawn Mower - EFS between electric and gasoline fuel	Outdoor Equipment	EFS
Riding Lawn Mower - EFS between electric and gasoline fuel	Outdoor Equipment	EFS
Heating Portion - GSHP replacing Gas Furnace & AC	Residential Heating and Cooling, Whole Home Efficiency	Residential

Measure	Program(s)	Segment
Heat Pump Water Heater - Gas Water Heater Baseline Refrigerant Based Cooling Natural Gas Heat	Residential Heating and Cooling, Whole Home Efficiency	Residential
Heat Pump Water Heater - Gas Water Heater Baseline Non-Refrigerant Based Cooling Natural Gas Heat	Residential Heating and Cooling, Whole Home Efficiency	Residential
Heat Pump Water Heater - Gas Water Heater Baseline Refrigerant Based Cooling Natural Gas Heat + CEA/ANSI Communications Port	Residential Heating and Cooling, Whole Home Efficiency	Residential
Heat Pump Water Heater - Gas Water Heater Baseline Non-Refrigerant Based Cooling Natural Gas Heat + CEA/ANSI Communications Port	Residential Heating and Cooling, Whole Home Efficiency	Residential

Table 59a: 2024 EFS Segment Targets

	Electric		Natural Gas		
2024	**Participants**	**Budget**	**Participants**	**Budget**	**Claimable Dth**
Efficient Fuel Switching Training & Support	550	$ 1,700,000	-	-	-
Outdoor Equipment	550	$186,250	-	-	-
Total EFS Segment	**1,100**	**$1,886,250**	**-**	**-**	**-**
Residential EFS Total	726	$186,469	719	$672,657	9,754
Business EFS Total	66	$90,622	63	$78,634	1,912
Income-Qualified EFS Total	5	-	3	$148,064	16
Total EFS	**1,897**	**$2,686,633**	**785**	**$1,029,405**	**11,682**

Table 59b: 2025 EFS Segment Targets

	Electric		Natural Gas		
2025	**Participants**	**Budget**	**Participants**	**Budget**	**Claimable Dth**
Efficient Fuel Switching Training & Support	650	1,930,000	-	-	-
Outdoor Equipment	550	$161,250	-	-	-
Total EFS Segment	**1,200**	**$2,091,250**	**-**	**-**	**-**
Residential EFS Total	1,458	$376,695	1,422	$1,331,370	19,557
Business EFS Total	107	$108,033	102	$182,197	4,980
Income-Qualified EFS Total	8	-	4	$141,425	(8)
Total EFS	**2,773**	**$3,108,046**	**1,551**	**$1,813,320**	**24,529**

Table 59c: 2026 EFS Segment Targets

	Electric		Natural Gas		
2026	**Participants**	**Budget**	**Participants**	**Budget**	**Claimable Dth**
Efficient Fuel Switching Training & Support	750	$2,160,000	-	-	-
Outdoor Equipment	550	$151,250	-	-	-
Total EFS Segment	**1,300**	**$2,311,250**	**-**	**-**	**-**
Residential EFS Total	2,897	$754,043	2,878	$2,709,947	38,969
Business EFS Total	133	$128,341	128	$288,460	7,254
Income-Qualified EFS Total	10	-	6	$257,158	26
Total EFS	**4,340**	**$3,734,666**	**3,012**	**$3,389,110**	**46,249**

The participation, budget, and savings figures presented in the tables 59a -59c reflect the combination of 1) the targets and budgets of the two dedicated EFS programs; and 2) the portion of the target and budgets from "non-dedicated" programs that is allocated to supporting EFS measures. These are called out more specifically in the Executive Summaries. For further information on savings, the Company has provided Tables 34-45 in our Compliance Section.

Market Analysis

The Company's market insights regarding EFS are limited due to the relatively recent policy change permitting EFS in ECO plans. The Company did conduct an evaluation of the water heating rebates measures within Residential HVAC in 2018 that included asking both electric and natural gas customers about electric water heaters (including heat pump water heater), primarily related to demand response measures. However, the Company also believes the findings in that evaluation are informative of customers' attitudes toward EFS for water heating as well. In 2023, the Company is evaluating the residential heating measures within the Residential HVAC program, and we anticipate leveraging that opportunity to understand the market awareness, customer preference, and barriers to adoption for efficient heating equipment including heat pumps for space heating. Though the results are not available to inform this filing, they will help guide future marketing efforts as well as any modifications or future plan filings.

Despite limited empirical market research in Minnesota, the Company believes its experience with similar programs in Colorado will be useful and relevant. Among the key learnings from Colorado are the importance of substantial up-front rebates for EFS measures; this is among the factors leading to the Company's proposed strategy. The Company's Colorado experience also underscores the importance of well-informed installers and trade allies; this is reflected in the significant investment in the Efficient Fuel-Switching Training & Support program.

The Company believes – again, supported by experience in Colorado – that participation in EFS is likely to be low initially but could grow very rapidly as customer and contractor education efforts take hold. In addition, it is worth noting the expected availability of significant additional incentives for many EFS measures during the 2024-2026 ECO Triennial period. These include rebates from both

state funding (through HF 2310) and federal programs under the Inflation Reduction Act of 2022. These additional incentives have not been included in the cost-effectiveness analyses for EFS measures since eligibility requirements and timing of incentive availability may not align. However, the combined effect of these incentives has the potential to significantly increase customer participation in the Company's EFS offerings. The Company will closely monitor the market to ensure that increases in participation do not risk exceeding the statutory spending cap for EFS and may adjust rebate amounts or take other measures as necessary.

Marketing/Advertising/Promotion

Most marketing and promotion of EFS will occur through the Efficient Fuel Switching Training & Support program, though some activity may also occur through individual programs to communicate the availability of EFS incentives. Given the importance of trade allies in the customer's decision to invest in these measures, the Company's primary marketing strategy in these early years of EFS implementation will be ensuring that trade allies are well-educated and knowledgeable about the capabilities and installation best-practices of equipment as well as the various incentives available to customers.

Overall Policies

Measure Eligibility

Measures are required to meet certain criteria to be considered "efficient fuel-switching" under Minnesota statute. Each of the measures proposed for inclusion meets these criteria; analysis demonstrating eligibility following the Department's established technical guidance can be found in the Appendix.

Funding Allocation

The following information is intended to provide transparency about how the Company plans to allocate various types of spending between its natural gas EFS and electric EFS budgets. The approach below is intended to achieve alignment between the groups of customers paying for programs and the programs for which they are eligible. In addition, it will facilitate monitoring to ensure that statutory spending limits are not exceeded.

Natural gas EFS spending will be focused on providing incentives to Xcel Energy natural gas customers to adopt measures that move from natural gas to electricity. Most of these are expected to be space and water heating measures in the residential sector, along with some business participation. Because of the limited amount of gas EFS spending allowed under the statutory spending caps, the Company plans to focus this spending on providing rebates and fund most if not all advertising and promotional activities through electric EFS spending.

Electric EFS dollars will be used for the following purposes:

- *Education and Awareness*, including installer training as well as general consumer education about the benefits of and best applications for heat pump and other non-combustion technologies;
- *Make-Ready Support*, such as incentives to reduce the cost of electric upgrades necessary to support new appliances; and
- *Non-Gas End Uses*, encompassing electrification of measures not currently fueled by natural gas such as propane furnaces or gasoline-powered yard equipment.

Electric EFS dollars will also be used to support the "Geographic Consistency" policy to ensure that Xcel Energy electric customers who receive natural gas service from a different utility, or who use delivered fuels, can receive the same rebate as Xcel Energy's combination gas and electric customers. The use of electric EFS dollars for this purpose is justified by two primary factors: First, since these customers have not contributed to the gas EFS budget, it would not be reasonable to allocate costs for these incentives to the Company's natural gas customers. Second, the measures promoted are expected to bring benefit to the electric grid in the form of additional load, creating downward pressure on electric rates for all customers. By using electric EFS dollars to support the measures' installation, the Company can share a portion of that benefit back with the participating customer.

New Construction

For new construction, the funding source for EFS incentives will be dependent on where the new building is located. New construction that is served by Xcel Energy natural gas – or, in the case of all-electric buildings, that would have been an Xcel Energy natural gas customer – will be funded with gas EFS dollars and the Company will claim gas savings. New construction that is located outside Xcel Energy's natural gas service area (but inside the Company's electric service territory) may be eligible to receive incentives funded by electric EFS, if the customer's gas utility (or the company that would have been the customer's gas utility, for all-electric buildings) offers either no incentive at all or a lower incentive than the customer would have received had they been an Xcel Energy gas customer (or potential customer). No energy savings associated with EFS will be claimed for projects receiving electric EFS funding, though electric energy efficiency and demand response incentives and savings will remain available, and the Company will claim the associated savings. The Company notes that its new construction programs do not include a proposed budget for electric EFS spending. The Company's expectation is that most EFS participation from new construction will be "partial electrification" projects, eligible for gas EFS funding.

"Geographic Consistency"

As noted above, the "Geographic Consistency" policy is intended to support consistency of incentives for customers considering EFS measures that would lead to increased use of electricity provided by Xcel Energy, regardless of the provider of the fuel the customer is switching away from. In addition to any electric energy efficiency rebate, the Company will compare the incentive (if any) provided by the incumbent fuel provider to the incentive offered for the same measure through Xcel Energy's natural gas EFS programming. If the incumbent's incentive is lower than Xcel Energy's, the Company will use electric EFS dollars to make up the difference, increasing the total rebate paid to the customer.

The Company is proposing this policy based on its interest in ensuring that EFS measures broadly receive a level of incentive that is adequate to move the market. Experience in Colorado suggests that at this early stage, many EFS measures require a higher level of incentive than is typical for more traditional measures. If adoption of EFS is faster than anticipated, the Company may revisit this policy to consider whether it is still necessary. The Company will also monitor closely to ensure compliance with the EFS spending cap, and may reduce or eliminate its incentives under the policy if necessary to avoid exceeding the cap.

No energy savings will be claimed in association with this spending (though electric savings associated with any energy efficiency rebate would be claimed as normal). The Company notes, however, that the Department's Efficient Fuel-Switching Cost-Effectiveness Technical Guidance appears to suggest that in cases where a customer receives incentives from both a non-Xcel gas utility and from Xcel Energy under the Geographic Consistency policy, there should be an "apportionment" of savings between the utilities:

> In cases where multiple utilities invest in joint programs in overlapping service territories, it is expected that the utilities will report impacts and incorporate them into cost-effectiveness analyses based on their respective financial contributions to programs and projects. For example, if a gas and an electric utility jointly offer an EFS program that provides incentives for air source heat pumps and the gas utility contributes 30 percent to the overall program's costs, the gas utility would claim 30 percent of savings and incorporate 30 percent of program costs and savings into its cost-effectiveness evaluations. "Savings" would be based on the program's BTU savings, with apportionment to the respective utilities based on their fuels.[50]

The Company is unclear how to implement this guidance in practice and is uncertain how to reconcile it with the statutory language preventing electric utilities from claiming savings resulting from EFS. The Company respectfully requests additional direction from the Deputy Commissioner on the interpretation and implementation of the language quoted above.

Energy Savings

Savings associated with electric and natural gas EFS will be claimed as consistent with statute and guidance. Natural gas savings claimed will be the net savings after consideration of the increased electric energy consumption associated with the measure. Natural gas EFS savings is included in the gas savings targets for each program that includes gas EFS measures.

[50] 2023 Cost-Effectiveness Decision, p. 225.

Involvement with Interested Individuals and Entities

The Company has worked with several stakeholders during the development of the EFS portfolio; specifically, we have worked with CenterPoint Energy to identify savings opportunities and rebate development, Center for Energy and Environment regarding heat pump rebates and the City of Minneapolis regarding technologies of interest. Although we were not able to reach complete alignment with all of these parties on all questions, we appreciate the collaborative spirit of the discussions and look forward to working with these and other stakeholders as we begin implementing EFS programming.

1. EFFICIENT FUEL SWITCHING TRAINING & SUPPORT

Program Description

The Efficient Fuel Switching Training and Support program is an indirect-impact offering which provides funding to support growth in the market for EFS measures and address potential barriers to adoption. The Company expects the activities under this program to be a primary means of motivating and educating both customers and trade allies. In addition, we propose to use the program to support customers in implementing necessary home upgrades to safely install EFS measures. The primary areas of spending under the program are:

- *Advertising and Promotion* – includes funding for the promotion and advertising of electrification efforts; this could be in combination with other utilities or working with additional parties as a result of state or federal funding.
- *Trade Partner Training* – we will work with contractors and partnering with agencies to help identify best practices, ensure proper installation, and develop strategies to engage customers in these new opportunities.
- *Panel upgrades* – one potential barrier to implementation of new electric equipment is panel upgrades in older homes. The Company proposes to include funds for these types of promotional incentives to help lower these barriers to participation.

<u>Program Changes</u>

Efficient Fuel Switching Training and Support is a new program in the newly created EFS segment.

Budget, Participation & Target Considerations

This budget allows for the on-going support of electrification to increase educational opportunities, training and reduce additional barriers to implementation. The main budget drivers include utility administration which includes internal labor and advertising and promotion.

The Company plans to offer an incentive for customers performing circuit panel upgrades associated with the installation of a new EFS measure. The Company may introduce additional rebates if there appears to be a need for further support to address other barriers.

Stakeholder Involvement
As the program grows, the Company looks forward for additional feedback from our stakeholders to improve our process as we endeavor to provide new options to customers.

2. OUTDOOR EQUIPMENT PROGRAM

Program Description
The Outdoor Equipment program is a new program proposed for the 2024-2026 Triennial. The Outdoor Equipment program is designed to provide alternatives to end-uses traditionally met with gasoline motors. Additionally, the Company will provide messaging to rebate recipients encouraging off-peak charging to help improve system load factor and reduce customer bills. The Company proposes this program to creatively explore options to support efficient fuel-switching opportunities.

Eligibility/Qualification for Participation
The program is available to customers who have electric or combination service by the Company. These rebates are provided from our electric budget so natural gas only customers are ineligible. Only new equipment is eligible for a rebate. Rebates must be submitted by September 30 of the year following the invoice date.

Qualifying Upgrades/Measures
Three types of measures are available as part of the Outdoor Equipment program.

- *Residential Lawn Mowers:* Customer must purchase a new electric powered riding or push lawn mower to replace an equivalent gasoline powered mower.
- *Commercial Lawn Mower:* Customer must purchase a new commercial grade electric powered riding mower to replace an equivalent commercial grade gasoline powered mower.

The most recent version of Minnesota's Technical Reference Manual (TRM) for Energy Conservation Improvement Programs (version 4.0, January 31, 2023) includes measure definitions for both residential and commercial lawnmowers as fuel-switching measures. The Company has used the TRM measure definitions for this equipment.

Rebates
Rebates will be paid according to upgrade type and cost in the schedule below:

Table 60: Proposed Outdoor Equipment Rebates

Measure	Rebate
Residential Electric Push Lawn Mower	$75
Residential Electric Riding Lawn Mower	$200
Commercial Electric Push Lawn Mower	$300
Commercial Electric Riding Lawn Mower	$800

Program Changes
The Company is proposing to add Outdoor Equipment as a new program in the 2024-2026 triennium.

Budget, Participation & Target Considerations
The program budget was developed based on expected participation levels as well as similar programs in other jurisdictions.

The main budget drivers include the following:

- Utility Administration: This category funds administration labor, materials, postage and rebate processing labor and measure and verification.
- Advertising & Promotion: The program will utilize low-cost promotions including bill onserts, email marketing, direct mail marketing, and social media.
- Participant Incentives: These funds customer rebates for qualifying products.

Stakeholder Involvement
As the program grows, the Company looks forward to additional feedback from our stakeholders to improve the process and rebate levels. In particular, the Company anticipates developing relationships with bicycle retailers and deepening existing relationships with hardware stores and other vendors of lawn equipment, which may lead to the addition of further measures in the program.

INDIRECT PRODUCTS AND SERVICES SEGMENT

Overview
The Indirect Products and Services Segment includes other CIP projects that do not directly result in energy savings but do support the overall success of the portfolio. These projects support innovation and improvements through research and development, provide software and hardware tools as well as training to increase internal efficiencies, increases awareness of programs through general marketing and promotions and supports regulatory compliance and planning required by CIP.

Programs
This Segment includes Advertising & Promotion, Application Development and Maintenance, CIP Training, Community Energy Reporting, Energy Benchmarking, Efficient Technology Accelerator, Electric Utility Infrastructure, Partners in Energy, and Planning & Regulatory Affairs.

Targets

Table 61: 2024-2026 Indirect Segment Budgets

	Electric		Natural Gas	
Plan Year	**Participation**	**Budget**	**Participation**	**Budget**
2024	697,494	$ 13,342,290	347,474	$ 3,205,173
2025	698,754	$ 15,025,429	347,944	$ 3,547,562
2026	699,864	$ 15,915,893	348,259	$ 3,738,343

Policies
As the Indirect Products and Services Segment program are focused on providing support to our programs and do not have specific policies related to customer participation.

Involvement with Interested Individuals and Entities
Most community engagement and involvement is conducted through our direct impact programs. The Regulatory Affairs team regularly engages with various interested individuals and entities and often through processes managed by the Minnesota Department of Commerce.

1. ADVERTISING & PROMOTION

Program Description
Advertising & Promotion provides funding to drive awareness of electric and gas energy solutions options with broad appeal among all types of customers. The advertising and promotion strategy objectives are to ensure that the Company's energy solutions are top-of mind during customer energy-related purchasing decisions, and to encourage energy saving action for their homes and businesses. In

this Plan, the Company will expand our customer reach by developing a targeted strategy to Black, Indigenous and People of Color (BIPOC) organizations and businesses.

Program Details

Various media types help us reach customers at different stages of the efficiency decision-making process. Through these various media channels, the Company strives to build awareness via broadcast media, develop targeted strategies to BIPOC organizations and businesses through broadcasting and other networks to increase access to large business rebates and incentives, capture attention through print and digital media, sponsorship, and events, and create engagement via interactive media and direct marketing.

Through our advertising and promotion efforts, we support our portfolio by:

- Driving web visits for program information and educational content;
- Encouraging engagement with our digital media and direct-marketing efforts;
- Maintaining awareness, likeability and favorable opinion of our offerings;
- Creating an emotional connection by appealing to individual needs and barriers;
- Sponsoring cost-effective events and outreach; and
- Maintaining traditional outreach via marketing tactics that deliver the most cost-effective impact.

Program Changes

The Company will be expanding our advertising strategic tactics beyond the traditional target audience to BIPOC communities, associations, groups and demographics.

Budget, Participation & Target Considerations

The budget was determined by using cost estimates from past projects, vendor proposals, current customer counts, current conservation advertising budgets, known costs for creating new campaigns, and other general industry pricing knowledge. As the Company continues to optimize the marketing mix, the budget gives us the flexibility to choose the tactics and tools necessary to effectively promote customer solutions in balance with increasing costs.

The main budget drivers include the following:

- Utility Administration: This category covers the internal labor necessary for advertising and promotion marketing campaigns.
- Advertising & Promotion: These funds are spent directly on the Company's advertising and promotional strategies to support individual programs and cross-marketing among programs.

The budget is allocated internally between residential and business segments to support their respective program objectives.

2. APPLICATION DEVELOPMENT & MAINTENANCE

Program Description

The Application Development & Maintenance (ADM) provides funding to support the Company's extensive data and process management tools for the marketing and delivery of energy efficiency programs and reporting on program achievements. In this Plan, we intend to perform enhancements to our current systems and system updates to maintain the quality of our reporting. These changes are necessary to introduce additional reporting flexibility and efficiencies, improve back-office processes and improve process management by injecting efficiencies into current operations.

Program Details

ADM is an internal Information Technology (IT) program to support the Company's software and maintenance data and reporting capabilities and is not marketed externally or offers rebates to customers. The Company's ADM work is performed by a combination of in-house software developers and system administrators, and by contracted external resources. The budgets for this work represent software purchases and the labor required to configure the software to integrate with existing systems and processes.

Program Changes

The Company is not proposing any changes to the ADM program.

Budget, Participation & Target Considerations

The budgets were developed using historical trends for existing system maintenance work and by identifying project-specific funds for new system development work for the Company to ensure that as technology advances, the costs incurred also increase. This budget allows for the on-going exploration of technology solutions for identifying electric fuel switching opportunities in and reflects increases to ensure our ability to keep our existing systems and processes at optimum performance.

The main budget drivers include utility administration which includes internal labor, software licenses, and application development and maintenance are covered by this budget category.

3. CIP TRAINING

Program Description

The CIP Training program was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The CIP Training program is designed to allow the Company's staff the opportunity for continued education and training in energy efficiency. This training is necessary to enhance the Company's knowledge base for current staff and update new staff on energy efficiency. Continued training enables the Company to

stay current in the energy efficiency industry in addition to keeping staff informed about future technologies, industry trends and industry behavioral shifts.

Program Details
The CIP Training program is available to internal employees within marketing, engineering, regulatory, operations and sales interested in opportunities for continued education and training in energy efficiency. These educational opportunities include learning more about electric and natural gas energy-efficient equipment and new advances in technology and changes in the energy efficiency industry. The Company's staff may attend internal or external training sessions, conferences and seminars on various technologies, industry best practices, and energy efficiency topics.

Program Changes
The Company is not proposing any additional changes to the CIP Training program.

Budget, Participation & Target Considerations
The program budget was developed by evaluating historical spending trends from the past three years for staff to attend both internal and external conferences and seminars on energy efficiency. Expenses covered under this budget include internal and external labor, materials, and travel expenses for the Company's staff to attend internal and external conferences, seminars, and training sessions.

4. COMMUNITY ENERGY REPORTING

Program Description
The Community Energy Reporting is a new program in the Company's 2024-2026 filing. Previously, this program existed under the Energy Benchmarking program. As a result of increased participation, the Company has broken out this funding to account for specific costs for Community Energy Reporting.

Program Details
The focus of the Community Energy Reporting program is to provide aggregated data at the city, county, and state levels in the form of Community Energy Reports, which are published on the Company's website each year by June 1. These Community Energy Reports contain a variety of useful data tables such as: energy consumption, utility systems characteristics, renewable program participation, demand management program participation, energy efficiency program participation and electric vehicle program participation. These reports are automatically produced for cities with populations larger than 50,000 residents and counties with populations larger than 100,000 residents. New cities and counties can be added to the annual production upon request,[51] and the Company

[51] Any city or county wanting to be included may request to be added to the annual list by sending an email to communityreporting@xcelenergy.com.

anticipates a significant growth in this program over the next several years. There are blank key processes that are followed in the production of the annual Community Energy Reports:

Boundary Mapping
The Company has received requests in the past from several cities to use a specially curated boundary map for running the respective city/county community energy report. Each year during annual development, the Community Energy Reporting Team reaches out to this running list of communities and asks for an updated shapefile of the community boundary or for confirmation that the previous shapefile is still current. All custom shapefiles are mapped by the Company's Geospatial Team and a premise list is generated based off the customized boundary. Any community may request to be added to this list and provide a customized shapefile. All boundary mapping done for communities without a customized boundary will have their premises gathered based off jurisdictional tax code.

Data Privacy Rule Implementation
The community energy reporting system is designed to implement thresholds based on both the premise count and individual premise usage percentage. Currently there must be at least four premises or more aggregated with no individual premise using more than 50 percent of the aggregated total consumption. Any violators will be removed from the data set and the number of failures will be noted next to its respective data table.

Data Quality & Accuracy Checks
A key process in the final stages of community energy report development is data quality and accuracy checks. Prior to any publication of community energy reports, a group of city and county community energy reports will be analyzed for data accuracy and consistency from the previous two years.

Additionally, the Company processes community-level ad hoc requests that may fall outside of the traditional report structure that is published annually. Each request is vetted, and all data provided in these ad hoc requests are subject to the Company's aggregated data privacy standards.

Program Changes
Community Energy Reporting is a new program in this Plan.

Budget, Participation & Target Considerations
The Community Energy Reporting program's participation and budgets were determined by current participation rates of cities and counties, anticipated increases in participation and the labor associated with creating community energy reports.

The main budget drivers include administration for labor for building set-up and customer service as well as ongoing software upgrades and maintenance.

Stakeholder Involvement
The Community Energy Reporting team engages community sustainability coordinators and third-party service providers across the Company's service territories regarding the development and output of the community energy reports and ad hoc community-level data requests.

5. ELECTRIC UTILITY INFRASTRUCTURE

Program Description
The Minnesota Next Generation Energy Act of 2007 ("Act") created the opportunity for an electric utility to claim savings from projects that improve the efficiency of the utility's infrastructure or system towards its electric savings targets, provided that the utility files a plan to achieve savings of at least one percent of retail sales through direct energy conservation programs. The Act also authorized a new rate schedule for recovery of electric utility infrastructure project costs but does not require that a utility create a specific rate schedule in order to claim the related energy savings.

Program Details
Electric utility infrastructure ("EUI") projects are defined in Minn. Stat. § 216B.1636 as electric utility-owned projects that:

1) Replace or modify existing electric utility infrastructure, including utility-owned buildings, if the replacement or modification is shown to conserve energy or use energy more efficiently, consistent with section 216B.241, subd. 1c; or
2) Conserve energy or use energy more efficiently by using waste heat recovery converted into electricity as defined in section 216B.241, subd. 1, paragraph (n).

Minn. Stat. § 216B.241, subd. 1c, also clarifies that EUI projects "must result in increased energy efficiency greater than that which would have occurred through normal maintenance activity." Sample projects include distribution system improvements that reduce line losses and heat rate improvements that increase the efficiency of energy production, such as process optimization and equipment design modifications.
In addition to contributing towards our CIP portfolio, EUI projects typically have the following benefits:

- Direct energy consumption savings;
- Reduced maintenance costs;
- Extended equipment life; and
- Better power plant performance.

The energy savings translate to less natural gas or coal that is needed to produce electricity, which reduces greenhouse gas emissions and fuel costs, thereby lowering the environmental impact and overall cost of generation.

Program Changes

The Company is not proposing any changes to the Electric Utility Infrastructure program.

Budget, Participation & Target Considerations

Because we are expecting to meet the 1.5 percent requirement through customer programs, EUI projects will likely play a minor role in this Triennial Plan. However, savings from EUI projects may become increasingly important over time as the savings potential from traditional programs declines. Given the minor role expected for EUI in this Plan and uncertainties in project funding and timing, we are not proposing specific savings targets or budgets for this Segment. Should we complete any EUI projects during the Plan, we will report the results in our annual status report, following established CIP guidelines, as applicable. For example, for large custom-type projects, we propose to submit the relevant analysis and supporting documentation to the Department prior to submitting the Status Report. For each project, we provide a cost-benefit analysis showing that the project is in the public interest.

Stakeholder Involvement

Because this is an internal program, we do not anticipate the involvement of community energy organizations.

6. ENERGY BENCHMARKING

Program Description

The Energy Benchmarking program provides aggregated whole building usage data to commercial and multifamily buildings, utilizing an internal benchmarking platform in combination with the EPA's Energy Star Portfolio Manager. The majority of participants are in territories with benchmarking ordinances, but the program serves any customer of the Company who wishes to obtain benchmarking data.

Program Details

The Energy Benchmarking program offers a streamlined and consistent approach to access aggregated whole building energy data. The service relies upon the U.S. Environmental Protection Agency's ENERGY STAR Portfolio Manager (ESPM) to assist customers in benchmarking their buildings. The program is primarily marketed to those customers falling under a municipal benchmarking ordinance, such as Minneapolis' Commercial Building Energy Benchmarking and Transparency ordinance. This ordinance currently covers commercial and multifamily buildings 50,000 square feet and greater. Several other cities in Minnesota have implemented similar ordinances while others have launched pilot programs with similar targets. As a result, the Company expects program participation to expand continually over the next several years.

The Company participated in a U.S. Department of Energy (DOE) effort under the Better Buildings Initiative called "Energy Data Accelerator," which is designed to bring utilities and municipal leaders together to "demonstrate streamlined, best-practice approaches for building owners to access whole building energy usage data—with a specific focus on providing building owners with aggregated energy usage information across multiple tenants." The Company gained valuable insights from both its municipal partner, the City of Minneapolis, as well as from DOE Facilitators and Utility collaborators across the country.

The design implemented by the Company is a product of these accumulated insights and is representative of best practices identified through this effort. Key features of the Energy Benchmarking program include Building Owner Authorization, Tenant Identification, Data Privacy Rule Implementation, Consumption and Cost Data Aggregation and Normalization, and Automated Data Transfer to the ESPM. Each of these elements is discussed in more detail below.

Building Owner Authorization
Upon registration to an online portal, building owners or their contracted agents will be verified using publicly available records as well as information available within the Company's Customer Information Systems.

Tenant Identification
Using the property address, the Company will return a list of tenants' premises that appear to be associated with the building. If verified as accurate by the building owner, this list will be used to permanently associate those premises to the property in the Company's Customer Information Systems.

Data Privacy Rule Implementation
The system is designed to implement thresholds based on both the tenant count and individual tenant usage percentage. Currently there must be four tenants or more aggregated with no individual tenant using more than 50 percent of the aggregated total consumption. No energy data will be shared with the building owner or agents until these rules have been satisfied, or until requestors have obtained validated, signed consent forms from each tenant at the building.

Consumption and Cost Data Aggregation and Normalization
Acknowledging that most building owners seek whole-building aggregate data, the Company will automatically combine data across meter readings and normalize those readings to a common calendar month cycle. Building owners can also request data for individual tenants, or sub-sets of tenants as desired; however, these requests will be subject to aggregation methodologies outlined in Rule 3034 and will be more likely to require individual tenant consent.

Automated Data Transfer to ENERGY STAR Portfolio Manager (ESPM)
The service relies upon ESPM to standardize the transfer of energy data from the Company's systems. This decision was made primarily from the fact that ESPM is well-established as the industry standard tool to perform energy benchmarking, and that this standard further allows a consistent, free, robust option for building owners to gain valuable information about their buildings.

The Energy Benchmarking program is also comprised of the Rental Usage Reporting Program, which stemmed from the Minneapolis Time of Rent Ordinance that went into effect in September 2021. This program allows building owners and their authorized agents to obtain utility cost estimates at a dollar/sq.ft. and dollar/bedroom level for their prospective tenants.

Program Changes
There are no changes planned for program operation. Strategic developments are made on a yearly basis to enhance the flow, accuracy, and timing of data for energy benchmarking customers. Additionally, there are ongoing discussions surrounding the potential of adding solar and demand data to the program, though these potential changes are still being vetted internally.

Budget, Participation & Target Considerations
The Benchmarking program's participation and budgets were determined by current participation rates of buildings under a benchmarking ordinance, future ordinances recently implemented or anticipated to be implemented, and the labor associated with setting up a new building.

The main budget drivers include administration for labor for building set-up and customer service as well as ongoing software upgrades and maintenance.

Stakeholder Involvement
The Energy Benchmarking Program Team works directly with several community energy organizations to promote, train, and educate customers on the program.

7. PARTNERS IN ENERGY

Partners in Energy was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. The Company proposes no changes to this successful program as part of this Plan; however, will begin to track spend as part of our low-income spending requirement.

Program Details
Partners in Energy is designed to target the communities served by the Company and provide support for identifying and achieving their goals for energy. Achieving these goals includes facilitating the development of community-owned energy action plans, supporting launch and implementation of

these plans, working with communities on projects and strategies previously developed, and resources to assist participating communities stay current on emerging technologies, outreach and education best practices and a platform learn from each other. This program drives efficiency projects throughout the community. The segments impacted vary by community and depend on the targets identified by each community in their plans. The Company is proposing to add additional resources to support the income qualified market within participating communities. We detail these more specifically below.

The Partners in Energy program is designed to provide the communities we serve with the tools and resources necessary to be successful in defining their energy future. The portion of this support that aligns with driving energy-efficiency and incremental participation in our conservation programs in the community is covered through the Company's ECO. The offering provides planning services, implementation support, reporting services and participant resources.

Planning services are normally a series of facilitated workshops designed to develop content for inclusion in an energy action plan. These workshops are held with a local stakeholder team developed by the community with the support of Partners in Energy. The structure of this workshop series includes establishing a baseline for a community and a profile of their energy use including how much electricity and natural gas a community uses and the current level of program participation seen in their population. There are instances where a full series of workshops is not necessary depending on the breadth and resources a community has prior to engaging with the program. There is also the ability for communities who have historically participated in the program to re-engage in the planning process to update the content of their energy action plan.

Implementation support is customized to align with the resources a community needs to be successful with their energy related plans. It traditionally falls into the categories of marketing communications, project management, and education and outreach resources. As a critical part of implementation Partners in Energy provides data support. Examples of what this includes are working with communities to identify target markets and reporting services where the program generates dashboards every six months to track how a community is performing versus the baseline established during planning and to track their progress to goals.

Participant resources include newsletters, webinars, networking events, and a web portal that serves as a resource library and central storage for a community's work products.

<u>Eligibility/Qualification for Participation</u>
Communities within the Company's service territory qualify to participate in the program.

Program Changes

Change	Rationale
Track implementation support targeted at engaging the low-income market in saving energy.	These costs will be tracked and reported as part of the Company's spend to support the low income market.

Budget, Participation & Target Considerations

The participation and budget for the program is based on historical activity. Additional considerations were made for expanding the resources to deliver outreach and education to support the low-income market.

The main budget drivers include implementer costs for delivering planning and implementation support.

Stakeholder Involvement

This program incorporates stakeholders at various points within the program.

- Local stakeholders are incorporated into the planning teams that are formed in the individual communities. They are incorporated into the process to provide access and information, as well as to represent the voice of underrepresented community members who are hesitant to participate in the planning process.
- Community agencies are leveraged in tactics to deliver outreach and educational materials. By engaging with local service providers, we are able to reach target markets at sites where they already attend versus trying to engage them in energy focused events.

8. PLANNING & REGULATORY AFFAIRS

Program Description

Planning & Regulatory Affairs provides funding for all the Company's DSM regulatory filings, directs and prepares cost-benefit analyses, provides results of energy conservation achievements, manages electric and gas potential studies and analyzes and prepares cost recovery reports. The fund was included in Xcel Energy's previous Triennial Plan for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium with no fundamental changes.

Program Details

Regulatory Affairs manages all the Company's DSM regulatory filings, directs and prepares cost-benefit analyses, provides results of energy conservation achievements, manages electric and gas potential studies and analyzes and prepares cost recovery reports. The group also provides procedures for effectively addressing requirements for the DSM regulatory process. These functions are needed to ensure a cohesive and high-quality DSM portfolio that meets legal requirements, as well as the expectations of Xcel Energy's customers, regulators, and staff.

In addition, Regulatory Affairs supports the DSM component of resource planning, rate cases, and certificates of need and provides strategic evaluation planning and internal policy guidance. These functions are needed to ensure the cost-effectiveness of DSM, to ensure the quality of DSM impact estimates, help generate ideas for future DSM projects, establish programmatic consistency, and manage DSM-related marketing information.

Program Changes

The Company is not proposing any changes to Planning & Regulatory Affairs.

Budget, Participation & Target Considerations

Program budgets were developed based on historical spending. Included in the Regulatory Affairs budgets are materials, administration, and outside consulting costs. As regulatory reporting requirements have increased in recent years, and with the additional complexity brought to portfolio management with the various requirements created by ECO, the Company proposes an increased budget in this Triennium to ensure it has the necessary staff to manage the significant increase in workload. The program's budget is allocated to the Utility Administration category.

Stakeholder Involvement

The Regulatory Affairs group works with third-party alternative CIP filers, community organizations, and other interested parties as applicable. In addition, we regularly attend energy efficiency stakeholder meetings and assist with legislative policy.

RESEARCH, EVALUATIONS & PILOTS SEGMENT

Overview

The Research, Evaluations, and Pilots Segment includes indirect research and development efforts that are not directly affiliated with a specific direct impact program. This Segment provides research, evaluation, and screening of new DSM products and concept testing.

Under this Segment, Market Research and Product Development:

- Evaluates achieved energy and demand savings;
- Quantifies the various levels of market potential for programs;
- Analyzes overall effects of Xcel Energy's ECO portfolio on customer usage and overall system peak demand and system energy usage;
- Develops new customer programs;
- Researches, pilots and monitors new conservation products and efficient fuel switching to determine conservation opportunity;
- Provide overall informational support for the portfolio;
- Evaluate the processes and impacts of ECO Programs;
- Measure overall customer satisfaction with Xcel Energy's various ECO efforts;
- Provide segment and target market information; and
- Examine in further depth the various assumptions used within program design and management.

Portions of this Segment are subject to the Research and Development (R&D) spending cap of 10 percent of our total amount spent and invested on energy conservation improvements. For the most part, Market Research projects fall outside of Research & Development, except for market potential studies, as the information is not intended exclusively to assist in developing new programs and mainly addresses existing programs through efforts such as program evaluations. All of Product Development projects and costs are included within the R&D category and subject to the cap, except for pilot programs.

In addition, the Company is separately tracking R&D spend for energy efficient fuel switching as these costs are accounted for differently in Minn. Stat. §216B.241 and are subject to the EFS spending cap until June 2026.

Programs

This Segment is comprised of the Market Research and Product Development programs.

Targets

The budgets for Market Research and Product Development were based on past spending and adjusted for planned expenditures. Pilot projects may be proposed as either direct or indirect impact; the Company is not proposing any direct impact pilots as part of our 2024-2026 Triennial Plan at this time.

Table 62: 2024-2026 Research, Evaluations & Pilots Segment Budget

	Electric			Natural Gas		
	2024	**2025**	**2026**	**2024**	**2025**	**2026**
Market Research	$2,146,287	$ 2,333,545	$2,469,193	$525,579	$550,837	$574,548
Product Development	$5,756,208	$5,852,763	$ 5,951,351	$328,102	$331,536	$335,090
PD Energy Efficiency	$5,232,917	$ 5,320,694	$5,410,319	$198,051	$199,768	$201,545
PD EFS	$23,291	$ 532,069	$541,032	$130,051	$131,768	$ 133,545
Total	**$7,379,204**	**$7,654,239**	**$ 7,879,512**	**$723,630**	**$750,605**	**$ 776,093**

Market Analysis
Not applicable.

Marketing/Advertising/Promotion
Not applicable.

Overall Policies
Not applicable.

Involvement with Interested Individuals and Entities
We involve external parties (government, manufacturers, vendors, installers) in our product development process. We also seek the input of manufacturers, vendors, and installers as we build the technical assumptions for each product to test for cost effectiveness.

1. MARKET RESEARCH

Program Description
Market Research drives a variety of ECO-specific projects that are used to support effective design and implementation of energy conservation programs and services. This enhances understanding of current and potential customers, market segmentation, and engagement drivers. Additional research is conducted through procurement of third-party consultants who review primary and secondary data while purchased market research subscriptions offer energy efficiency and/or marketing resources that provide strategic information regarding customers, ECO products, and business direction for our efforts towards furthering customer programs and opportunities. This research falls into two categories:

- *Program Support Activities* which primarily provide overall DSM informational support for several programs or segments; and
- *Program and Portfolio Evaluations* which provide process and / or impact studies of products or groups of products and characterizing and/or modeling of market potential for adoption of energy efficiency measures.

Program Details

Although research needs may change during the Plan, we plan to continue the procurement of the following market research resources in 2024, 2025, and 2026:

Program Support Activities

- E-Source membership provides unbiased, objective research and advisory services that help advance efficiency programs, improve the customer experience, and use energy more efficiently.
- Dun & Bradstreet list purchase provides specific demographic information helpful in effectively identifying potential business customers capable of benefiting from existing and planned DSM programs.
- Data purchase and development and maintenance of an energy-focused segmentation system to assist in marketing energy efficiency to residential customers.
- Home Use Study provides valuable information regarding saturation of various home appliances and technologies in residential homes.
- Residential and Business Advertising Tracking data ensures the effectiveness and reach of DSM advertising efforts by asking customers reactions and recall of specific campaigns.
- Update business lighting saturation models with primary data that reflect new equipment that has become more prevalent since initial data was gathered in 2018.
- Like the 2021-2023 Triennial, the Company has assumed a modest potential study update or other sector specific saturation and adoption modeling will be needed in 2025 and 2026 anticipation of a future Upper Midwest Integrated Resource Plan (IRP). Since the next IRP will be filed early in 2024, it is unknown what research may be ordered by the Commission and when that future IRP will be filed. The Company has also included a smaller amount of budget set aside in 2024 for possible natural gas-focused energy efficiency and efficient fuel switching research to inform IRP, NGIA, rate, or other filings.

Program and Portfolio Evaluations

Comprehensive program evaluations are completed by independent third-party consultants for specific programs each year. The Company establishes the evaluation priorities based on several factors including program budgets, savings, time since previous evaluations, and strategic role of programs within the portfolio. In this Plan, the Company plans to continue efforts to build a portfolio evaluation approach that would establish metrics (in addition to Dth, kWh, kW, and participation) to track program performance in between the in-depth evaluations that are listed below. The Company plans to conduct the following program-specific evaluations during the Plan:

- 2024: Data Center Efficiency; Business Education; Whole Home Efficiency; Home Energy Audit; and Refrigerator Recycling
- 2025: Efficiency Controls; HVAC+R; Multi-Family Building Efficiency; and Water Heater Rebates

The Company is not proposing specific program evaluations for 2026 in lieu of leveraging the data gathered by the portfolio evaluation approach during 2024 and 2025. The Company has included the estimated cost of four comprehensive evaluations in the proposed budget. The Company proposes to file a courtesy notice before 2026 evaluations commence identifying the programs for evaluation in 2026. The Company expects there will be some evaluation costs for the energy code support market transformation activities at various points in the Triennial. As noted in the program description within the Business and Residential segment, the timing of these evaluation activities depends on when code updates are adopted. The Company proposes that additional details can be provided in the 2024 Status Report or other modifications to further clarify the evaluation activities not included in the initial program design filed by the collaborating utilities.

In 2024-2026 the Company has also added direct support, via a third-party, for a team that will focus on equity and underserved communities in all evaluation planning and execution. This is intended to guide future research toward increasing actions to support customers and trade partners who have historically been underserved by the portfolio.

In each year the Company proposes to allocate $225,000 for dedicated Income-Qualified Segment evaluation activities ($150,000 electric and $75,000 natural gas). These will not be part of the portfolio evaluations above but will instead focus on specific research questions that are unique to the Income-Qualified Segment programs and/or income qualified customers that could benefit from the programs but are not currently participating. We propose to separately document these projects and report them as part of the Income-Qualified Segment spend in the compliance section of our yearly Status Reports.

Program Changes

Starting in 2024 and continuing through 2026 the Company proposes inclusion of a dedicated Income-Qualified component to this program.

Budget, Participation & Target Considerations

The Market Research budget was developed based on historical project costs for similar research and /or studies of similar scope.

The main budget drivers include the following:

- Purchased/subscription data and research;
- Third party evaluation and research consulting; and
- Administration which covers the internal staff and external professional services needed for project planning and implementation.

2. MEASUREMENT AND VERIFICATION

This section documents our efforts to measure and verify direct savings of electric and gas programs to ensure that reported savings accurately represent impacts on the electric and natural gas system within the defined levels of statistical precision. Measurement & Verification (M&V) costs are generally budgeted within each program's overall budget.

Prescriptive projects are monitored to ensure that there is not a deviation from the assumed savings for the project. All custom projects adhere to a pre-established M&V policy and threshold under Docket Number E, G999/CIP-06-1591. For programs not specifically listed in this document, project M&V is not conducted due to budgetary or logistical constraints but may be validated in periodic program evaluations.

Rebate Application Validation (All Programs)

- Step 1: Applications are validated prior to data entry and sent back to the customer or account manager if any data is missing or incorrect.
- Step 2: Daily audit is conducted on all rebates after data entry but before rebate is issued. Errors are corrected and rebate is paid.

Measurement & Verification (General)

Verifies on an ongoing basis during performance year the gross energy and demand savings.

- **Prescriptive programs** using deemed savings technical assumptions have random sample field inspections to verify that the measure is installed and operating, and the key parameters of the technical assumption match the rebate.
- **Custom programs** go through stages of engineering review of the savings calculations. Random samples are sent to an outside engineering firm for further review. Projects with savings greater than 1 GWh or 20,000 Dth are pre- and post-metered, as are some projects that are metered at engineering discretion to verify assumptions for new technologies or other variables.
- **Exception programs** conduct M&V as it makes sense from a financial, accuracy, logistical and customer investment standpoint.

<u>Prescriptive Process</u>

For most of the programs, the verification contractor selects a statistically valid number of projects to verify through field inspections or phone surveys. The sample size is designed to achieve accuracy levels of between 10 percent and 20 percent given a confidence level of 90 percent around the realization rate and is weighted to select larger projects. The number of randomly selected participants in the sample may increase or decrease during the year depending on program participation to ensure precision goals for the program. Sampling bias caused by poor response rates and deliberate exclusion of sample projects is reduced through a quality control process. Rebate forms notify all customers that their respective premises and measures are subject to verification inspections.

The process is as follows:

- Step 1: Customer submits rebate application and required documentation to the Company after measure is installed.
- Step 2: Rebate Operations reviews all business and residential program rebate applications, supporting documentation, and vendor invoices. They check the customer information, equipment eligibility and proper rebate amounts. If information is missing or incorrect, the application is sent back to the account representative or customer to make changes.
- Step 3: If project qualifies for rebate, Rebate Operations enters rebate application form data into the rebate tracking system and authorizes rebate payment. Prior to authorizing rebates, all applications are verified in a daily audit.
- Step 4: On a monthly basis the third-party verification contractor (VC) pulls a list of all projects completed during the previous month.
- Step 5: VC selects random samples, notifies the Company of the sample selections, and manages statistically valid sample process to achieve a 90% confidence level with 10% precision.
- If it is not possible to achieve 90/10, a confidence and precision level of 90/20 is acceptable.
- Step 6: VC contacts customer to schedule the inspection.
- Step 7: VC visits site and verifies the savings factors and equipment information for that measure.
- Step 8: VC documents discrepancies and submits report to the Company.
- Step 9: Product management and technical staff evaluate the nature of the discrepancy and take appropriate follow-up actions.
- Step 10: Corrective action such as communication of program requirements, changes to program rules or identification of intentional misuse of the programs are undertaken based on these audit results as necessary.

Applicable Prescriptive Programs

Including prescriptive projects of programs with prescriptive and custom components.

<u>Business Programs</u>

- Data Center Efficiency
- Efficiency Controls
- Compressed Air
- Foodservice Equipment
- HVAC+R
- Lighting Efficiency
- Load Strategy Analysis
- Process and Commercial Efficiency

<u>Residential Programs</u>

- Insulation Rebates
- Low-Income Home Energy Savings
- Multi-Family Energy Savings
- Residential Heating and Cooling
- Residential Demand Response (Smart Thermostat measures)

Programs and/or Components with Variation from Prescriptive Process

- **The Boiler Tune-Up and Tune-Up Plus** measures in the HVAC+R program do not have audits performed.
- **Business New Construction - Energy Efficient Buildings (EEB) component**, EEB differs from the prescriptive process in that preapproval is required prior to equipment install, invoices are not required, and all projects are field verified by the third-party implementer.
- **Home Energy Insights, Whole Home Efficiency, Home Energy Squad, Low-Income Home Energy Squad, Refrigerator & Freezer Recycling**, **Multi-Family Building Efficiency,** the third-party implementers are responsible for ensuring verification of measures according to the practices reviewed by a third party during a pilot and/or periodically during implementation.
- For **Efficient New Home Construction**, 100 percent of homes are verified through the Residential Energy Services Network (RESNET) rating and quality assurance protocols.
- For **Home Lighting**, all retailers provide sales data on quantity and type of bulbs sold.
- Select programs utilize third-party program implementers or survey companies to complete follow-up surveys to a sample of the participants to confirm and track whether the equipment was installed. An installation rate is applied to the program's annual savings.
- For **School Education Kits**, participants conduct and submit surveys.
- For **Energy Efficient Showerhead** program, third-party implementer reports on quantity of showerheads distributed. The company reports on installation rates through surveys that are periodically distributed via either a third party or its enterprise customer experience measurement system.

<u>General Custom Process</u>

Project Identification

- Step 1: Project identification and scoping.
- Step 2: Customer submits preapproval application to the Company.

Preapproval

- Step 3: An engineer (or outside engineering firm) reviews the application and calculates the energy and demand savings based on the technical assumptions specific to that measure and the resulting rebate.
- Step 4: Xcel Energy engineers review the calculations, regardless of whether internal or external engineers completed Step 3.
- Step 5: We select a random sample of committed projects and send this list to an outside engineering firm (if Xcel Energy engineer performed Step 3) to review the calculations.
- Step 6: If the outside engineering firm disagrees with our engineer's analysis, they

discuss the project and reach a consensus on the calculations.

- Step 7: We send out a preapproval or rejection letter stating the preapproved demand and energy savings along with the rebate amount.

Monitoring

- Step 8: If monitoring is needed, an Xcel Energy engineer drafts an M&V plan and sends a monitoring agreement for customer review and approval signature.
- Step 9: If the customer does not have the appropriate meter structure, a third-party engineering firm installs metering equipment and collects the pre-data as set forth in the monitoring agreement.
- Step 10: After the designated pre-monitoring period, the customer completes the project installation and contacts the account manager.
- Step 11: The third-party engineering firm collects post-installation monitoring data and sends pre- and post-data to the Company.

Site Verification

- Step 12: For managed accounts, the customer's account manager works with the customer to verify project installation and removal of old equipment and obtain invoices or alternate cost documentation for submission to our staff.

Approval and Rebate Payment

- Step 13: For non-monitored projects, the invoices are reviewed and if the installed measure specifications match the proposed measure specifications, then the preapproved rebate is awarded. If project incremental costs changed by >10%, or the scope changed, the project is reevaluated (return to Step 3).
- Step 14: For monitored projects, an engineer (or third-party engineering firm) determines actual savings based on monitoring results.
- Step 15: For monitored projects, if an Xcel Energy engineer completes the analysis, 100% of projects are sent to third-party engineering firm for review.
- Step 16: If the third-party engineering firm disagrees with our engineer's analysis, they discuss the project and reach consensus on the calculations.
- Step 17: For monitored projects, a new analysis is conducted with monitoring results. The rebate paid is based on actual savings, and we claim the post-monitored results.
- Step 18: Project savings are reported in the year that the rebate is awarded.

Applicable Custom Programs

Including custom and behavioral projects of programs with these components.

- Business Energy Assessments
- Custom Efficiency
- Data Center Efficiency
- Efficiency Controls
- Compressed Air
- HVAC+R
- Lighting Efficiency
- Process and Commercial Efficiency

Exceptions

Programs with special design elements are verified using processes unique to the program. The M&V process for these products is described below.

- *Business New Construction* – We contract with a third-party consultant to develop the energy efficiency recommendations and M&V. Field verification is performed to ensure that the strategies are installed per the design intent. The rebate is not paid until savings are verified.

The following process shows the steps taken throughout the EDA process to ensure proper installation and energy savings:

  - Step 1: Application submittal.
  - Step 2: Meetings take place with the customer and design team.
  - Step 3: Consultant completes energy modeling to identify conservation packages.
  - Step 4: Construction documents are reviewed for measures identified through the energy model. The design team and customer are notified whether these measures were found within these documents. (Enhanced Track only)
  - Step 5: The customer completes construction.
  - Step 6: Consultant visits site and verifies that specified measures were installed. Selected
  - equipment and systems are monitored for a two-week timeframe, as appropriate, to evaluate.
  - performance variables against modeling assumptions.
  - Step 7: For projects with individual measures that have savings greater than or equal to 1.0 GWh or 20,000 Dth per year, the individual measures must be considered "selected equipment" as defined in Step 6 above.
  - Step 8: The actual results are used to determine the final rebate.
  - Step 9: Rebate is issued to customer based on final savings.

- *Business Energy Assessments, Heating and Study Driven Program (general process):* The customer hires an engineering firm to conduct a study of the building to determine energy savings for each measure. An Xcel Energy engineer then reviews and verifies 100 percent of the identified opportunities for savings calculation accuracy prior to approving and paying a rebate for the study.

When opportunities are implemented, an Xcel Energy engineer verifies that the implemented measures match what was approved and edits any changes implemented that do not exactly match the approved study.

For Business Energy Assessments, the customer needs to notify us when this happens. For other programs, the quantity/equipment detail on the invoices may be used.

- *Self-Direct Program:* Qualifying customers submit M&V plans with their applications. M&V plans, which may include pre-installation monitoring, are reviewed and approved by an Xcel Energy engineer (or outside engineering firm).

- *Electric Rate Savings and Peak Flex Credit:* Customer participation and compliance is verified via the specialized meters deployed. This allows us to confirm the amount of load shed at each control event.

- *Residential Demand Response and Commercial AC Control:* The Residential Demand Response (Saver's Switch and AC Rewards) and Business Saver's Switch programs contract with a third-party to conduct annual load research on a sample of participant sites. This research measures the amount of load relief realized when a control is implemented.

  In areas where the automated meter reading system is available, we are able to test residential Saver's Switches remotely to identify sites with failed switches. We anticipate continuing this process annually going forward to ensure a healthy switch population.

3. PRODUCT DEVELOPMENT

Program Description

Product Development was included in Xcel Energy's previous *Triennial Plan* for 2021-2023. The Company proposes to continue this project as described below in the 2024-2026 triennium. Product Development identifies, assesses, and develops new energy efficiency, demand response, and efficient fuel switching products and services for eventual inclusion as new programs, products, and measures. This work enables Xcel Energy to stay current and advance important new energy saving technologies for customers. The group also develops improvements to existing products.

The product development process begins with ideas for new energy conservation and efficient fuel switching programs or measures from customers, regulators, energy professionals, Xcel Energy staff, and others. Before a new product is approved, the group research new ideas, evaluates them for savings potential, screens, and sometimes tests specific product ideas as we work through the development process.

During this triennial period, Product Development will continue to develop new products and expand existing products to help meet Xcel Energy's conservation and efficient fuel switching targets. Products or programs are selected for development based on several criteria including, but not limited to, energy efficiency potential, level of effort to development, longevity of the offering (i.e. how long until a product becomes the industry standard), market barriers, and risk (technological, market) among others.

Program Changes

The Company is proposing to add an efficient fuel switching budget for development of measures.

Budget, Participation & Target Considerations

Product Development is an indirect-impact program and, therefore, generally does not set any participation or energy savings targets. Product Development, on occasion, develops pilots with savings targets. We seek approval to claim direct-impact savings in those cases. The program budgets were developed by reviewing historical program expenditures and estimating the time involved in completing future efforts.

The main budget drivers include the following:

- Utility Administration: Product Development contracts with external, third-party consultants to assist in project planning and implementation. Additionally, administration funds internal Product Development staff.

ASSESSMENTS SEGMENT

Overview

The Assessment Segment includes state assessments as identified in Minn. Stat. §216B.241.

Programs

There are two programs outlined in the Assessments Segment including State Assessments and the Minnesota Efficient Technology Accelerator (META).

Targets

Table 63: 2024-2026 Assessment Segment Budgets

	Electric		Natural Gas	
Plan Year	**Participation**	**Budget**	**Participation**	**Budget**
2024	-	$4,973,841	-	$896,826
2025	-	$7,425,406	-	$1,414,206
2026	-	$7,622,477	-	$1,485,845

1. MINNESOTA ASSESSMENTS

Program Description

The Minnesota Assessment fund accounts for monetary assessments from the Minnesota Department of Commerce. Minn. Stat. §216B.241, subd(s). 1d, e and f assess each utility a fee for technical assistance, applied research and development grants, and facility energy efficiency.

Program Changes

Not applicable.

Targets, Participants & Budget

Budgets were developed based on direct and indirect assessments invoices received during the 2020 CIP Extension and 2021-2023 Triennial Plan period. The main driver of costs for Assessments is technical assistance, applied research and development grants and facility energy efficiency as assessed by the Department of Commerce.

Stakeholder Involvement

Not applicable.

2. MINNESOTA EFFICIENT TECHNOLOGY ACCELERATOR

Program Description

The Efficient Technology Accelerator (ETA) is a new market transformation program that is run by the Center for Energy and Environment under contract from the Department of Commerce[52]; Department of Energy Resources in coordination with investor-owned utilities and co-ops in Minnesota. This program centers around three central goals:

1. Accelerate deployment and reduce the cost of emerging and innovative efficient technologies and approaches.
2. Bring a statewide, holistic market transformation approach to ECO.
3. Provide utilities claimable energy savings above and beyond current ECO program savings.

Our Plan includes the approved assessments from CEE as defined in Minn. Stat. §216B.241, sub. 14 and confirmed by the Department's April 15, 2022, Decision.

Program Details

The ETA implements a market-transformation approach to bringing high-potential measures with limited market adoption into ECO portfolios. This is achieved by working with key market actors to increase awareness, reduce upfront costs, and/or remove other barriers to greater acceptance of the targeted measures.

The key features of ETA are cost effectiveness being measured over a longer period, creating a framework for capturing savings from market transformation efforts, and a focus on driving supply chain intervention strategies. ETA is launching in 2023 with a starter portfolio of five initiatives: Dual-fuel air source heat pumps, Luminaire-level lighting controls (LLLCs), High-performance windows, High-performance RTUs, and Gas-fired heat pump technologies.

Program Changes

ETA is a new program in the Plan.

Targets, Participants & Budget

The Company has filed the META program as an indirect program. However, we anticipate savings to be assessed to the Company as part of the CEE process. These savings will be reviewed and included as part of our annual reporting process.

Fees for META were determined by the Department's April 14, 2022, Decision which stated costs to be assessed as follows:

[52] Pursuant to Minn. Stat. §216B.241, sub. 14, qualified nonprofit may file a proposal with the Department for a program to "accelerate deployment and reduce the cost of the emerging and innovative efficient technologies and approaches." In the Department's April 15, 2022 Decision, Docket No. E, G999/CIP-21-548, the Center for Energy and Environment was found to have met the statutory requirements, as such, their proposal for a META program was approved for an initial term of five years (2023-2027).

The Deputy Commissioner finds that the proposed budget is within the limits of 216B.241 subdivision 14(h) spending caps – 2% in years 1 and 2 of the META programs, 3.5% in years 3 and 4, and 5% in year 5, based on the utility's spending approved by the Department in the CIP plan filed under subdivision 2 of Minnesota 216B.241.[53]

[53] https://www.edockets.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId=%7b703FBA81-0000-C910-A628-35547DDCB63F%7d&documentTitle=20227-187142-01, page 7.

COST BENEFIT ANALYSIS

This section documents the cost-effectiveness of our 2024-2026 ECO Triennial Plan by portfolio and segment. These analyses include the Minnesota Test as approved by the Deputy Commissioner *In the Matter of 2024-2026 CIP Cost-Effectiveness Methodologies for Electric and Gas Investor-Owned Utilities*, dated March 31, 2023, in Docket No. E,G999/CIP-23-46.

RESIDENTIAL SEGMENT TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	39,113,522	39,113,522	N/A	45,077,109	45,077,109
Transmission and Distribution Capacity	N/A	4,478,829	4,478,829	N/A	5,182,205	5,182,205
Energy Generation	N/A	50,714,285	50,714,285	N/A	58,389,283	58,389,283
Market Effects and Ancilary Services	N/A	1,886,133	1,886,133	N/A	2,172,972	2,172,972
Subtotal	N/A	96,192,768	96,192,768	N/A	110,821,569	110,821,569
Gas System Impacts						
Commodity Cost	N/A	24,126,594	N/A	24,126,594	27,818,639	27,818,639
Variable O&M	N/A	207,695	N/A	207,695	239,415	239,415
Demand	N/A	5,894,026	N/A	5,894,026	6,792,417	6,792,417
Environmental Compliance	N/A	337,772	N/A	337,772	389,461	389,461
Subtotal	N/A	30,566,087	N/A	30,566,087	35,239,932	35,239,932
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	12,870,507	12,870,507
Gas Environmental Externalities	N/A	N/A	N/A	N/A	22,301,119	22,301,119
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(6,131,289)	(4,519,647)	(1,611,643)	(6,131,289)	(6,131,289)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(6,131,289)	(4,519,647)	(1,611,643)	29,040,337	29,040,337
Participant Impacts						
Electric Bill	207,252,740	N/A	(179,610,604)	N/A	N/A	N/A
Gas Bill	46,625,423	N/A	N/A	(40,458,871)	N/A	N/A
Participant Rebates and Incentives	26,522,669	N/A	N/A	N/A	26,522,669	N/A
Incremental Capital	(56,083,488)	N/A	N/A	N/A	(56,083,488)	N/A
Incremental O&M	11,553,267	N/A	N/A	N/A	11,553,267	N/A
Subtotal	235,870,612	N/A	(179,610,604)	(40,458,871)	(18,007,552)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,113,936)	(781,293)	(332,643)	(1,113,936)	(1,113,936)
Utility Administration	N/A	(12,489,287)	(8,694,461)	(3,794,826)	(12,489,287)	(12,489,287)
Advertising & Promotion	N/A	(4,154,328)	(2,834,900)	(1,319,428)	(4,154,328)	(4,154,328)
Measurement & Verification	N/A	(46,000)	(31,500)	(14,500)	(46,000)	(46,000)
Rebates	N/A	(26,522,669)	(18,116,646)	(8,406,023)	(26,522,669)	(26,522,669)
Other	N/A	(75,323)	(34,142)	(41,182)	(75,323)	(75,323)
Subtotal	N/A	(44,401,543)	**(30,492,942)**	**(13,908,602)**	(44,401,543)	(44,401,543)
Benefits	291,954,100	126,758,855	96,192,768	30,566,087	219,309,064	181,233,127
Costs	(56,083,488)	(50,532,833)	(214,623,193)	(55,979,115)	(106,616,321)	(50,532,833)
Net Benefit (Cost)	**235,870,612**	**76,226,022**	**(118,430,425)**	**(25,413,028)**	**112,692,743**	**130,700,295**
Benefit/Cost Ratio	**5.21**	**2.51**	**0.45**	**0.55**	**2.06**	**3.59**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	12.2 years
Lifetime (Weighted on Dth)	13.8 years
T & D Loss Factor (Energy)	8.52%
T & D Loss Factor (Demand)	10.40%
System Coincident kW Saved at Generator	**35,083 kW**
Annual kWh Saved at Customer	128,769,672 kWh
Annual kWh Saved at Generator	**135,748,086 kWh**
Annual Dth Saved	**443,477 Dth**
Electric Participants	**2,536,389**
Gas Participants	**665,778**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.6 years
Lifetime (Weighted on Dth)	16.6 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	10.56%
System Coincident kW Saved at Generator	**-6.38 kW**
Annual kWh Saved at Customer	-1,633,580 kWh
Annual kWh Saved at Generator	**-1,789,245 kWh**
Annual Dth Saved	**15,859 Dth**
Electric Participants	**726**
Gas Participants	**719**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	41,235 tons CO2
Gas Energy Efficiency	32,343 tons CO2
Electric Electrification	-492 tons CO2
Gas Electrification	1,157 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	74,242 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	278,548 tons CO2
Gas Energy Efficiency	444,715 tons CO2
Electric Electrification	-4,140 tons CO2
Gas Electrification	19,246 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	738,369 tons CO2

RESIDENTIAL SEGMENT TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	40,411,366	40,411,366	N/A	46,545,879	46,545,879
Transmission and Distribution Capacity	N/A	4,658,757	4,658,757	N/A	5,387,318	5,387,318
Energy Generation	N/A	52,452,716	52,452,716	N/A	60,069,612	60,069,612
Market Effects and Ancilary Services	N/A	1,950,457	1,950,457	N/A	2,240,056	2,240,056
Subtotal	N/A	99,473,296	99,473,296	N/A	114,242,866	114,242,866
Gas System Impacts						
Commodity Cost	N/A	26,538,010	N/A	26,538,010	30,599,605	30,599,605
Variable O&M	N/A	228,137	N/A	228,137	263,051	263,051
Demand	N/A	6,477,267	N/A	6,477,267	7,464,744	7,464,744
Environmental Compliance	N/A	371,532	N/A	371,532	428,394	428,394
Subtotal	N/A	33,614,946	N/A	33,614,946	38,755,794	38,755,794
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	11,313,540	11,313,540
Gas Environmental Externalities	N/A	N/A	N/A	N/A	24,250,197	24,250,197
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(6,151,954)	(4,542,266)	(1,609,688)	(6,151,954)	(6,151,954)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(6,151,954)	(4,542,266)	(1,609,688)	29,411,783	29,411,783
Participant Impacts						
Electric Bill	209,152,569	N/A	(180,861,835)	N/A	N/A	N/A
Gas Bill	51,240,561	N/A	N/A	(44,461,948)	N/A	N/A
Participant Rebates and Incentives	27,778,977	N/A	N/A	N/A	27,778,977	N/A
Incremental Capital	(61,681,790)	N/A	N/A	N/A	(61,681,790)	N/A
Incremental O&M	12,454,639	N/A	N/A	N/A	12,454,639	N/A
Subtotal	238,944,955	N/A	(180,861,835)	(44,461,948)	(21,448,174)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,384,191)	(1,014,084)	(370,106)	(1,384,191)	(1,384,191)
Utility Administration	N/A	(13,207,027)	(9,175,987)	(4,031,040)	(13,207,027)	(13,207,027)
Advertising & Promotion	N/A	(4,420,951)	(3,024,470)	(1,396,481)	(4,420,951)	(4,420,951)
Measurement & Verification	N/A	(50,250)	(34,500)	(15,750)	(50,250)	(50,250)
Rebates	N/A	(27,778,977)	(18,455,177)	(9,323,800)	(27,778,977)	(27,778,977)
Other	N/A	(151,657)	(68,833)	(82,823)	(151,657)	(151,657)
Subtotal	N/A	(46,993,053)	**(31,773,051)**	**(15,220,001)**	(46,993,053)	(46,993,053)
Benefits	300,626,745	133,088,242	99,473,296	33,614,946	228,796,012	188,562,397
Costs	(61,681,790)	(53,145,007)	(217,177,153)	(61,291,637)	(114,826,797)	(53,145,007)
Net Benefit (Cost)	**238,944,955**	**79,943,236**	**(117,703,857)**	**(27,676,691)**	**113,969,216**	**135,417,390**
Benefit/Cost Ratio	**4.87**	**2.50**	**0.46**	**0.55**	**1.99**	**3.55**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	12.2 years
Lifetime (Weighted on Dth)	13.7 years
T & D Loss Factor (Energy)	8.50%
T & D Loss Factor (Demand)	10.40%
System Coincident kW Saved at Generator	**35,935 kW**
Annual kWh Saved at Customer	128,935,229 kWh
Annual kWh Saved at Generator	**135,820,489 kWh**
Annual Dth Saved	**456,271 Dth**
Electric Participants	**2,421,077**
Gas Participants	**634,978**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.6 years
Lifetime (Weighted on Dth)	16.6 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	10.56%
System Coincident kW Saved at Generator	**-12.51 kW**
Annual kWh Saved at Customer	-3,270,426 kWh
Annual kWh Saved at Generator	**-3,582,066 kWh**
Annual Dth Saved	**31,780 Dth**
Electric Participants	**1,458**
Gas Participants	**1,445**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	41,235 tons CO2
Gas Energy Efficiency	32,343 tons CO2
Electric Electrification	-611 tons CO2
Gas Electrification	2,318 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	75,284 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	278,548 tons CO2
Gas Energy Efficiency	457,449 tons CO2
Electric Electrification	-7,683 tons CO2
Gas Electrification	38,552 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	766,866 tons CO2

RESIDENTIAL SEGMENT TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	43,054,271	43,054,271	N/A	49,630,918	49,630,918
Transmission and Distribution Capacity	N/A	4,999,448	4,999,448	N/A	5,786,239	5,786,239
Energy Generation	N/A	56,513,276	56,513,276	N/A	64,883,291	64,883,291
Market Effects and Ancilary Services	N/A	2,091,340	2,091,340	N/A	2,406,009	2,406,009
Subtotal	N/A	106,658,335	106,658,335	N/A	122,706,457	122,706,457
Gas System Impacts						
Commodity Cost	N/A	30,681,510	N/A	30,681,510	35,390,325	35,390,325
Variable O&M	N/A	263,636	N/A	263,636	303,974	303,974
Demand	N/A	7,481,185	N/A	7,481,185	8,625,373	8,625,373
Environmental Compliance	N/A	429,541	N/A	429,541	495,465	495,465
Subtotal	N/A	38,855,872	N/A	38,855,872	44,815,137	44,815,137
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	11,783,852	11,783,852
Gas Environmental Externalities	N/A	N/A	N/A	N/A	27,639,312	27,639,312
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(6,729,478)	(5,054,262)	(1,675,216)	(6,729,478)	(6,729,478)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(6,729,478)	(5,054,262)	(1,675,216)	32,693,686	32,693,686
Participant Impacts						
Electric Bill	232,973,100	N/A	(200,580,418)	N/A	N/A	N/A
Gas Bill	59,207,417	N/A	N/A	(51,354,244)	N/A	N/A
Participant Rebates and Incentives	30,574,958	N/A	N/A	N/A	30,574,958	N/A
Incremental Capital	(72,196,988)	N/A	N/A	N/A	(72,196,988)	N/A
Incremental O&M	13,071,585	N/A	N/A	N/A	13,071,585	N/A
Subtotal	263,630,072	N/A	(200,580,418)	(51,354,244)	(28,550,445)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,662,384)	(1,253,820)	(408,564)	(1,662,384)	(1,662,384)
Utility Administration	N/A	(14,083,875)	(9,769,504)	(4,314,371)	(14,083,875)	(14,083,875)
Advertising & Promotion	N/A	(4,629,030)	(3,164,764)	(1,464,266)	(4,629,030)	(4,629,030)
Measurement & Verification	N/A	(54,750)	(37,750)	(17,000)	(54,750)	(54,750)
Rebates	N/A	(30,574,958)	(19,686,346)	(10,888,613)	(30,574,958)	(30,574,958)
Other	N/A	(303,223)	(137,667)	(165,557)	(303,223)	(303,223)
Subtotal	N/A	(51,308,221)	**(34,049,850)**	**(17,258,370)**	(51,308,221)	(51,308,221)
Benefits	335,827,061	145,514,207	106,658,335	38,855,872	250,591,301	206,944,757
Costs	(72,196,988)	(58,037,698)	(239,684,530)	(70,287,831)	(130,234,687)	(58,037,698)
Net Benefit (Cost)	**263,630,072**	**87,476,509**	**(133,026,195)**	**(31,431,959)**	**120,356,614**	**148,907,059**
Benefit/Cost Ratio	**4.65**	**2.51**	**0.44**	**0.55**	**1.92**	**3.57**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	12.5 years
Lifetime (Weighted on Dth)	13.9 years
T & D Loss Factor (Energy)	8.51%
T & D Loss Factor (Demand)	10.39%
System Coincident kW Saved at Generator	**37,360 kW**
Annual kWh Saved at Customer	140,013,211 kWh
Annual kWh Saved at Generator	**147,770,554 kWh**
Annual Dth Saved	**474,266 Dth**
Electric Participants	**2,394,484**
Gas Participants	**606,787**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.6 years
Lifetime (Weighted on Dth)	16.6 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	10.56%
System Coincident kW Saved at Generator	**-24.29 kW**
Annual kWh Saved at Customer	-6,461,848 kWh
Annual kWh Saved at Generator	**-7,077,599 kWh**
Annual Dth Saved	**63,118 Dth**
Electric Participants	**2,897**
Gas Participants	**2,878**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	41,235 tons CO2
Gas Energy Efficiency	32,343 tons CO2
Electric Electrification	-1,165 tons CO2
Gas Electrification	4,603 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	77,016 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	278,548 tons CO2
Gas Energy Efficiency	479,804 tons CO2
Electric Electrification	-14,722 tons CO2
Gas Electrification	76,562 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	820,191 tons CO2

BUSINESS SEGMENT TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	91,751,864	91,751,864	N/A	107,044,347	107,044,347
Transmission and Distribution Capacity	N/A	10,535,124	10,535,124	N/A	12,342,973	12,342,973
Energy Generation	N/A	212,310,336	212,310,336	N/A	248,762,451	248,762,451
Market Effects and Ancilary Services	N/A	6,291,946	6,291,946	N/A	7,362,995	7,362,995
Subtotal	N/A	320,889,271	320,889,271	N/A	375,512,767	375,512,767
Gas System Impacts						
Commodity Cost	N/A	31,991,269	N/A	31,991,269	36,790,599	36,790,599
Variable O&M	N/A	275,566	N/A	275,566	316,775	316,775
Demand	N/A	7,816,428	N/A	7,816,428	8,984,426	8,984,426
Environmental Compliance	N/A	447,878	N/A	447,878	515,068	515,068
Subtotal	N/A	40,531,141	N/A	40,531,141	46,606,868	46,606,868
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	45,952,654	45,952,654
Gas Environmental Externalities	N/A	N/A	N/A	N/A	29,561,845	29,561,845
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	22,484	22,484
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	115,984	N/A	N/A	N/A	115,984	115,984
Utility Performance Incentives	N/A	(21,970,227)	(19,670,033)	(2,300,194)	(21,970,227)	(21,970,227)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	115,984	(21,970,227)	(19,670,033)	(2,300,194)	53,682,740	53,682,740
Participant Impacts						
Electric Bill	568,461,556	N/A	(565,050,606)	N/A	N/A	N/A
Gas Bill	51,144,966	N/A	N/A	(50,252,959)	N/A	N/A
Participant Rebates and Incentives	38,973,244	N/A	N/A	N/A	38,973,244	N/A
Incremental Capital	(140,205,725)	N/A	N/A	N/A	(140,205,725)	N/A
Incremental O&M	89,421,655	N/A	N/A	N/A	101,996,330	N/A
Subtotal	607,795,697	N/A	(565,050,606)	(50,252,959)	763,849	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(126,933)	(106,933)	(20,000)	(126,933)	(126,933)
Utility Administration	N/A	(18,389,544)	(15,924,279)	(2,465,265)	(18,389,544)	(18,389,544)
Advertising & Promotion	N/A	(1,234,731)	(1,020,378)	(214,353)	(1,234,731)	(1,234,731)
Measurement & Verification	N/A	(589,344)	(525,543)	(63,801)	(589,344)	(589,344)
Rebates	N/A	(38,973,244)	(35,549,662)	(3,423,582)	(38,973,244)	(38,973,244)
Other	N/A	(1,843,863)	(1,554,217)	(289,646)	(1,843,863)	(1,843,863)
Subtotal	N/A	(61,157,659)	**(54,681,012)**	**(6,476,647)**	(61,157,659)	(61,157,659)
Benefits	748,117,406	361,420,413	320,889,271	40,531,141	638,742,177	497,772,603
Costs	(140,205,725)	(83,127,886)	(639,401,651)	(59,029,800)	(223,333,611)	(83,127,886)
Net Benefit (Cost)	**607,911,681**	**278,292,527**	**(318,512,380)**	**(18,498,659)**	**415,408,566**	**414,644,716**
Benefit/Cost Ratio	**5.34**	**4.35**	**0.50**	**0.69**	**2.86**	**5.99**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	16.8 years
Lifetime (Weighted on Dth)	13.8 years
T & D Loss Factor (Energy)	7.43%
T & D Loss Factor (Demand)	8.83%
System Coincident kW Saved at Generator	**69,551 kW**
Annual kWh Saved at Customer	398,695,033 kWh
Annual kWh Saved at Generator	**428,456,974 kWh**
Annual Dth Saved	**606,408 Dth**
Electric Participants	**251,886**
Gas Participants	**114,984**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	19.1 years
Lifetime (Weighted on Dth)	19.9 years
T & D Loss Factor (Energy)	7.40%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-6.14 kW**
Annual kWh Saved at Customer	-345,571 kWh
Annual kWh Saved at Generator	**-373,187 kWh**
Annual Dth Saved	**3,035 Dth**
Electric Participants	**66**
Gas Participants	**63**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	123,842 tons CO2
Gas Energy Efficiency	44,225 tons CO2
Electric Electrification	-113 tons CO2
Gas Electrification	221 tons CO2
Other Fuel Electification	34 tons CO2
TOTAL	168,209 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,000,807 tons CO2
Gas Energy Efficiency	609,250 tons CO2
Electric Electrification	-1,032 tons CO2
Gas Electrification	4,405 tons CO2
Other Fuel Electification	545 tons CO2
TOTAL	1,613,975 tons CO2

BUSINESS SEGMENT TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	90,151,617	90,151,617	N/A	105,042,495	105,042,495
Transmission and Distribution Capacity	N/A	10,407,731	10,407,731	N/A	12,179,053	12,179,053
Energy Generation	N/A	214,492,599	214,492,599	N/A	250,438,149	250,438,149
Market Effects and Ancilary Services	N/A	6,301,039	6,301,039	N/A	7,353,194	7,353,194
Subtotal	N/A	321,352,986	321,352,986	N/A	375,012,890	375,012,890
Gas System Impacts						
Commodity Cost	N/A	36,689,676	N/A	36,689,676	42,330,580	42,330,580
Variable O&M	N/A	315,675	N/A	315,675	363,941	363,941
Demand	N/A	8,954,635	N/A	8,954,635	10,326,234	10,326,234
Environmental Compliance	N/A	513,655	N/A	513,655	592,628	592,628
Subtotal	N/A	46,473,641	N/A	46,473,641	53,613,383	53,613,383
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	41,379,960	41,379,960
Gas Environmental Externalities	N/A	N/A	N/A	N/A	33,528,140	33,528,140
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	52,294	52,294
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	284,870	N/A	N/A	N/A	284,870	284,870
Utility Performance Incentives	N/A	(22,052,863)	(19,477,500)	(2,575,363)	(22,052,863)	(22,052,863)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	284,870	(22,052,863)	(19,477,500)	(2,575,363)	53,192,402	53,192,402
Participant Impacts						
Electric Bill	568,712,424	N/A	(565,037,538)	N/A	N/A	N/A
Gas Bill	58,512,192	N/A	N/A	(57,533,608)	N/A	N/A
Participant Rebates and Incentives	37,939,368	N/A	N/A	N/A	37,939,368	N/A
Incremental Capital	(137,997,402)	N/A	N/A	N/A	(137,997,402)	N/A
Incremental O&M	89,681,514	N/A	N/A	N/A	102,083,705	N/A
Subtotal	616,848,097	N/A	(565,037,538)	(57,533,608)	2,025,672	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(126,825)	(106,825)	(20,000)	(126,825)	(126,825)
Utility Administration	N/A	(18,941,260)	(16,245,499)	(2,695,762)	(18,941,260)	(18,941,260)
Advertising & Promotion	N/A	(1,291,488)	(1,052,719)	(238,769)	(1,291,488)	(1,291,488)
Measurement & Verification	N/A	(547,887)	(466,228)	(81,659)	(547,887)	(547,887)
Rebates	N/A	(37,939,368)	(34,445,532)	(3,493,836)	(37,939,368)	(37,939,368)
Other	N/A	(1,736,727)	(1,386,430)	(350,297)	(1,736,727)	(1,736,727)
Subtotal	N/A	(60,583,555)	**(53,703,233)**	**(6,880,322)**	(60,583,555)	(60,583,555)
Benefits	755,130,369	367,826,627	321,352,986	46,473,641	643,894,611	503,871,538
Costs	(137,997,402)	(82,636,418)	(638,218,271)	(66,989,294)	(220,633,819)	(82,636,418)
Net Benefit (Cost)	**617,132,968**	**285,190,209**	**(316,865,285)**	**(20,515,653)**	**423,260,792**	**421,235,120**
Benefit/Cost Ratio	**5.47**	**4.45**	**0.50**	**0.69**	**2.92**	**6.10**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	16.7 years
Lifetime (Weighted on Dth)	14.2 years
T & D Loss Factor (Energy)	7.43%
T & D Loss Factor (Demand)	8.83%
System Coincident kW Saved at Generator	**68,214 kW**
Annual kWh Saved at Customer	396,663,212 kWh
Annual kWh Saved at Generator	**425,867,852 kWh**
Annual Dth Saved	**653,773 Dth**
Electric Participants	**263,646**
Gas Participants	**121,208**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	19.2 years
Lifetime (Weighted on Dth)	19.9 years
T & D Loss Factor (Energy)	7.40%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-39.51 kW**
Annual kWh Saved at Customer	-719,065 kWh
Annual kWh Saved at Generator	**-776,528 kWh**
Annual Dth Saved	**7,284 Dth**
Electric Participants	**107**
Gas Participants	**102**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	123,842 tons CO2
Gas Energy Efficiency	44,225 tons CO2
Electric Electrification	-150 tons CO2
Gas Electrification	531 tons CO2
Other Fuel Electification	75 tons CO2
TOTAL	168,524 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,000,807 tons CO2
Gas Energy Efficiency	675,695 tons CO2
Electric Electrification	-1,930 tons CO2
Gas Electrification	10,556 tons CO2
Other Fuel Electification	1,251 tons CO2
TOTAL	1,686,379 tons CO2

BUSINESS SEGMENT TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	93,902,529	93,902,529	N/A	109,459,854	109,459,854
Transmission and Distribution Capacity	N/A	10,912,829	10,912,829	N/A	12,776,592	12,776,592
Energy Generation	N/A	220,244,727	220,244,727	N/A	257,686,094	257,686,094
Market Effects and Ancilary Services	N/A	6,501,202	6,501,202	N/A	7,598,451	7,598,451
Subtotal	N/A	331,561,286	331,561,286	N/A	387,520,991	387,520,991
Gas System Impacts						
Commodity Cost	N/A	41,700,105	N/A	41,700,105	48,143,557	48,143,557
Variable O&M	N/A	358,523	N/A	358,523	413,630	413,630
Demand	N/A	10,167,551	N/A	10,167,551	11,733,157	11,733,157
Environmental Compliance	N/A	583,801	N/A	583,801	674,010	674,010
Subtotal	N/A	52,809,982	N/A	52,809,982	60,964,353	60,964,353
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	41,350,461	41,350,461
Gas Environmental Externalities	N/A	N/A	N/A	N/A	37,565,148	37,565,148
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	66,498	66,498
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	389,339	N/A	N/A	N/A	389,339	389,339
Utility Performance Incentives	N/A	(23,125,784)	(20,061,070)	(3,064,714)	(23,125,784)	(23,125,784)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	389,339	(23,125,784)	(20,061,070)	(3,064,714)	56,245,663	56,245,663
Participant Impacts						
Electric Bill	591,528,311	N/A	(587,571,755)	N/A	N/A	N/A
Gas Bill	66,365,273	N/A	N/A	(65,294,752)	N/A	N/A
Participant Rebates and Incentives	38,144,046	N/A	N/A	N/A	38,144,046	N/A
Incremental Capital	(136,819,437)	N/A	N/A	N/A	(136,819,437)	N/A
Incremental O&M	91,412,109	N/A	N/A	N/A	104,280,588	N/A
Subtotal	650,630,301	N/A	(587,571,755)	(65,294,752)	5,605,196	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(126,100)	(106,100)	(20,000)	(126,100)	(126,100)
Utility Administration	N/A	(19,629,070)	(16,771,302)	(2,857,768)	(19,629,070)	(19,629,070)
Advertising & Promotion	N/A	(1,308,508)	(1,057,295)	(251,214)	(1,308,508)	(1,308,508)
Measurement & Verification	N/A	(564,781)	(478,098)	(86,684)	(564,781)	(564,781)
Rebates	N/A	(38,144,046)	(34,629,500)	(3,514,545)	(38,144,046)	(38,144,046)
Other	N/A	(1,559,420)	(1,205,046)	(354,374)	(1,559,420)	(1,559,420)
Subtotal	N/A	(61,331,925)	**(54,247,340)**	**(7,084,584)**	(61,331,925)	(61,331,925)
Benefits	787,839,077	384,371,268	331,561,286	52,809,982	670,281,423	527,856,790
Costs	(136,819,437)	(84,457,708)	(661,880,165)	(75,444,050)	(221,277,145)	(84,457,708)
Net Benefit (Cost)	**651,019,640**	**299,913,560**	**(330,318,879)**	**(22,634,068)**	**449,004,278**	**443,399,082**
Benefit/Cost Ratio	**5.76**	**4.55**	**0.50**	**0.70**	**3.03**	**6.25**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts

Lifetime (Weighted on Generator kWh)	16.8 years
Lifetime (Weighted on Dth)	14.3 years
T & D Loss Factor (Energy)	7.44%
T & D Loss Factor (Demand)	8.83%
System Coincident kW Saved at Generator	**70,086 kW**
Annual kWh Saved at Customer	408,168,261 kWh
Annual kWh Saved at Generator	**438,091,129 kWh**
Annual Dth Saved	**710,059 Dth**
Electric Participants	**276,057**
Gas Participants	**127,810**

Beneficial Electrification Impacts

Lifetime (Weighted on Generator kWh)	19.4 years
Lifetime (Weighted on Dth)	19.8 years
T & D Loss Factor (Energy)	7.40%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-87.93 kW**
Annual kWh Saved at Customer	-1,032,486 kWh
Annual kWh Saved at Generator	**-1,114,995 kWh**
Annual Dth Saved	**10,667 Dth**
Electric Participants	**133**
Gas Participants	**128**

First year Carbon Emissions Reductions

Electric Energy Efficiency	123,842 tons CO2
Gas Energy Efficiency	44,225 tons CO2
Electric Electrification	-215 tons CO2
Gas Electrification	778 tons CO2
Other Fuel Electification	91 tons CO2
TOTAL	168,721 tons CO2

Lifetime Carbon Emissions Reductions

Electric Energy Efficiency	1,000,807 tons CO2
Gas Energy Efficiency	741,593 tons CO2
Electric Electrification	-2,643 tons CO2
Gas Electrification	15,436 tons CO2
Other Fuel Electification	1,573 tons CO2
TOTAL	1,756,764 tons CO2

INCOME QUALIFIED SEGMENT TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	1,039,833	1,039,833	N/A	1,153,608	1,153,608
Transmission and Distribution Capacity	N/A	116,784	116,784	N/A	130,051	130,051
Energy Generation	N/A	2,272,804	2,272,804	N/A	2,623,496	2,623,496
Market Effects and Ancilary Services	N/A	68,267	68,267	N/A	77,761	77,761
Subtotal	N/A	3,497,688	3,497,688	N/A	3,984,916	3,984,916
Gas System Impacts						
Commodity Cost	N/A	1,793,211	N/A	1,793,211	2,092,657	2,092,657
Variable O&M	N/A	15,439	N/A	15,439	18,006	18,006
Demand	N/A	437,862	N/A	437,862	510,696	510,696
Environmental Compliance	N/A	25,105	N/A	25,105	29,297	29,297
Subtotal	N/A	2,271,617	N/A	2,271,617	2,650,657	2,650,657
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	549,055	549,055
Gas Environmental Externalities	N/A	N/A	N/A	N/A	1,665,892	1,665,892
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(339,550)	(207,451)	(132,099)	(339,550)	(339,550)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(339,550)	(207,451)	(132,099)	1,875,397	1,875,397
Participant Impacts						
Electric Bill	9,467,845	N/A	(8,200,585)	N/A	N/A	N/A
Gas Bill	3,126,571	N/A	N/A	(2,896,037)	N/A	N/A
Participant Rebates and Incentives	6,864,726	N/A	N/A	N/A	6,864,726	N/A
Incremental Capital	(6,142,326)	N/A	N/A	N/A	(6,142,326)	N/A
Incremental O&M	560,626	N/A	N/A	N/A	560,619	N/A
Subtotal	13,877,442	N/A	(8,200,585)	(2,896,037)	1,283,020	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(4,011,602)	(2,971,980)	(1,039,622)	(4,011,602)	(4,011,602)
Advertising & Promotion	N/A	(1,613,400)	(1,234,100)	(379,300)	(1,613,400)	(1,613,400)
Measurement & Verification	N/A	(52,000)	(42,000)	(10,000)	(52,000)	(52,000)
Rebates	N/A	(6,864,726)	(4,210,444)	(2,654,282)	(6,864,726)	(6,864,726)
Other	N/A	(865,709)	(730,877)	(134,832)	(865,709)	(865,709)
Subtotal	N/A	(13,407,437)	**(9,189,401)**	**(4,218,036)**	(13,407,437)	(13,407,437)
Benefits	20,019,767	5,769,304	3,497,688	2,271,617	16,275,866	8,850,520
Costs	(6,142,326)	(13,746,987)	(17,597,437)	(7,246,172)	(19,889,312)	(13,746,987)
Net Benefit (Cost)	**13,877,442**	**(7,977,682)**	**(14,099,749)**	**(4,974,555)**	**(3,613,446)**	**(4,896,467)**
Benefit/Cost Ratio	**3.26**	**0.42**	**0.20**	**0.31**	**0.82**	**0.64**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	13.7 years
Lifetime (Weighted on Dth)	16.1 years
T & D Loss Factor (Energy)	8.60%
T & D Loss Factor (Demand)	10.47%
System Coincident kW Saved at Generator	**1,363 kW**
Annual kWh Saved at Customer	5,084,204 kWh
Annual kWh Saved at Generator	**5,542,337 kWh**
Annual Dth Saved	**29,681 Dth**
Electric Participants	**11,188**
Gas Participants	**2,849**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	17.1 years
Lifetime (Weighted on Dth)	16.1 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	-28,764 kWh
Annual kWh Saved at Generator	**-31,505 kWh**
Annual Dth Saved	**124 Dth**
Electric Participants	**5**
Gas Participants	**3**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	1,627 tons CO2
Gas Energy Efficiency	2,165 tons CO2
Electric Electrification	-9 tons CO2
Gas Electrification	9 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	3,791 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	11,933 tons CO2
Gas Energy Efficiency	34,870 tons CO2
Electric Electrification	-83 tons CO2
Gas Electrification	145 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	46,865 tons CO2

INCOME QUALIFIED SEGMENT TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	1,281,220	1,281,220	N/A	1,422,948	1,422,948
Transmission and Distribution Capacity	N/A	144,860	144,860	N/A	161,504	161,504
Energy Generation	N/A	2,903,830	2,903,830	N/A	3,345,655	3,345,655
Market Effects and Ancilary Services	N/A	86,271	86,271	N/A	98,214	98,214
Subtotal	N/A	4,416,181	4,416,181	N/A	5,028,321	5,028,321
Gas System Impacts						
Commodity Cost	N/A	2,081,119	N/A	2,081,119	2,423,617	2,423,617
Variable O&M	N/A	17,892	N/A	17,892	20,826	20,826
Demand	N/A	507,728	N/A	507,728	590,978	590,978
Environmental Compliance	N/A	29,136	N/A	29,136	33,931	33,931
Subtotal	N/A	2,635,874	N/A	2,635,874	3,069,351	3,069,351
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	619,903	619,903
Gas Environmental Externalities	N/A	N/A	N/A	N/A	1,908,171	1,908,171
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(409,214)	(258,050)	(151,165)	(409,214)	(409,214)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(409,214)	(258,050)	(151,165)	2,118,859	2,118,859
Participant Impacts						
Electric Bill	11,969,640	N/A	(10,358,567)	N/A	N/A	N/A
Gas Bill	3,658,573	N/A	N/A	(3,369,492)	N/A	N/A
Participant Rebates and Incentives	8,369,767	N/A	N/A	N/A	8,369,767	N/A
Incremental Capital	(7,609,794)	N/A	N/A	N/A	(7,609,794)	N/A
Incremental O&M	665,392	N/A	N/A	N/A	665,668	N/A
Subtotal	17,053,578	N/A	(10,358,567)	(3,369,492)	1,425,642	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(5,183,083)	(3,869,239)	(1,313,844)	(5,183,083)	(5,183,083)
Advertising & Promotion	N/A	(1,469,100)	(1,107,700)	(361,400)	(1,469,100)	(1,469,100)
Measurement & Verification	N/A	(42,000)	(32,000)	(10,000)	(42,000)	(42,000)
Rebates	N/A	(8,369,767)	(5,143,699)	(3,226,068)	(8,369,767)	(8,369,767)
Other	N/A	(994,490)	(844,085)	(150,405)	(994,490)	(994,490)
Subtotal	N/A	(16,058,440)	**(10,996,722)**	**(5,061,718)**	(16,058,440)	(16,058,440)
Benefits	24,663,372	7,052,055	4,416,181	2,635,874	19,661,181	10,625,746
Costs	(7,609,794)	(16,467,654)	(21,613,339)	(8,582,375)	(24,077,448)	(16,467,654)
Net Benefit (Cost)	**17,053,578**	**(9,415,600)**	**(17,197,158)**	**(5,946,501)**	**(4,416,267)**	**(5,841,909)**
Benefit/Cost Ratio	**3.24**	**0.43**	**0.20**	**0.31**	**0.82**	**0.65**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts

Lifetime (Weighted on Generator kWh)	13.9 years
Lifetime (Weighted on Dth)	15.9 years
T & D Loss Factor (Energy)	8.60%
T & D Loss Factor (Demand)	10.47%
System Coincident kW Saved at Generator	**1,637 kW**
Annual kWh Saved at Customer	6,235,261 kWh
Annual kWh Saved at Generator	**6,799,722 kWh**
Annual Dth Saved	**33,832 Dth**
Electric Participants	**13,067**
Gas Participants	**3,337**

Beneficial Electrification Impacts

Lifetime (Weighted on Generator kWh)	17.1 years
Lifetime (Weighted on Dth)	15.8 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	-45,926 kWh
Annual kWh Saved at Generator	**-50,302 kWh**
Annual Dth Saved	**163 Dth**
Electric Participants	**8**
Gas Participants	**4**

First year Carbon Emissions Reductions

Electric Energy Efficiency	1,627 tons CO2
Gas Energy Efficiency	2,165 tons CO2
Electric Electrification	-9 tons CO2
Gas Electrification	12 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	3,795 tons CO2

Lifetime Carbon Emissions Reductions

Electric Energy Efficiency	11,933 tons CO2
Gas Energy Efficiency	39,187 tons CO2
Electric Electrification	-123 tons CO2
Gas Electrification	188 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	51,185 tons CO2

INCOME QUALIFIED SEGMENT TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	1,584,237	1,584,237	N/A	1,763,882	1,763,882
Transmission and Distribution Capacity	N/A	180,618	180,618	N/A	201,888	201,888
Energy Generation	N/A	3,605,222	3,605,222	N/A	4,167,096	4,167,096
Market Effects and Ancilary Services	N/A	107,069	107,069	N/A	122,262	122,262
Subtotal	N/A	5,477,146	5,477,146	N/A	6,255,128	6,255,128
Gas System Impacts						
Commodity Cost	N/A	2,490,186	N/A	2,490,186	2,894,891	2,894,891
Variable O&M	N/A	21,401	N/A	21,401	24,866	24,866
Demand	N/A	606,996	N/A	606,996	705,311	705,311
Environmental Compliance	N/A	34,863	N/A	34,863	40,528	40,528
Subtotal	N/A	3,153,446	N/A	3,153,446	3,665,597	3,665,597
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	751,833	751,833
Gas Environmental Externalities	N/A	N/A	N/A	N/A	2,249,272	2,249,272
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(509,739)	(319,439)	(190,299)	(509,739)	(509,739)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(509,739)	(319,439)	(190,299)	2,491,367	2,491,367
Participant Impacts						
Electric Bill	15,158,230	N/A	(13,090,491)	N/A	N/A	N/A
Gas Bill	4,424,965	N/A	N/A	(4,044,777)	N/A	N/A
Participant Rebates and Incentives	10,507,715	N/A	N/A	N/A	10,507,715	N/A
Incremental Capital	(9,711,320)	N/A	N/A	N/A	(9,711,320)	N/A
Incremental O&M	693,763	N/A	N/A	N/A	694,323	N/A
Subtotal	21,073,354	N/A	(13,090,491)	(4,044,777)	1,490,718	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(5,579,343)	(4,181,665)	(1,397,678)	(5,579,343)	(5,579,343)
Advertising & Promotion	N/A	(1,480,000)	(1,107,700)	(372,300)	(1,480,000)	(1,480,000)
Measurement & Verification	N/A	(43,000)	(33,000)	(10,000)	(43,000)	(43,000)
Rebates	N/A	(10,507,715)	(6,070,536)	(4,437,179)	(10,507,715)	(10,507,715)
Other	N/A	(1,122,325)	(956,770)	(165,555)	(1,122,325)	(1,122,325)
Subtotal	N/A	(18,732,383)	**(12,349,670)**	**(6,382,712)**	(18,732,383)	(18,732,383)
Benefits	30,784,674	8,630,592	5,477,146	3,153,446	24,123,869	12,921,831
Costs	(9,711,320)	(19,242,121)	(25,759,601)	(10,617,788)	(28,953,441)	(19,242,121)
Net Benefit (Cost)	**21,073,354**	**(10,611,529)**	**(20,282,455)**	**(7,464,342)**	**(4,829,572)**	**(6,320,290)**
Benefit/Cost Ratio	**3.17**	**0.45**	**0.21**	**0.30**	**0.83**	**0.67**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	14.0 years
Lifetime (Weighted on Dth)	15.8 years
T & D Loss Factor (Energy)	8.59%
T & D Loss Factor (Demand)	10.46%
System Coincident kW Saved at Generator	**1,957 kW**
Annual kWh Saved at Customer	7,651,972 kWh
Annual kWh Saved at Generator	**8,346,718 kWh**
Annual Dth Saved	**39,448 Dth**
Electric Participants	**15,111**
Gas Participants	**3,981**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	17.1 years
Lifetime (Weighted on Dth)	16.1 years
T & D Loss Factor (Energy)	8.70%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	-59,170 kWh
Annual kWh Saved at Generator	**-64,808 kWh**
Annual Dth Saved	**247 Dth**
Electric Participants	**10**
Gas Participants	**6**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	1,627 tons CO2
Gas Energy Efficiency	2,165 tons CO2
Electric Electrification	-12 tons CO2
Gas Electrification	18 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	3,798 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	11,933 tons CO2
Gas Energy Efficiency	45,318 tons CO2
Electric Electrification	-155 tons CO2
Gas Electrification	290 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	57,386 tons CO2

DEMAND RESPONSE SEGMENT TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	39,965,345	39,965,345	N/A	43,616,392	43,616,392
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	153,217	153,217	N/A	166,840	166,840
Market Effects and Ancilary Services	N/A	802,371	802,371	N/A	875,665	875,665
Subtotal	N/A	40,920,933	40,920,933	N/A	44,658,897	44,658,897
Gas System Impacts						
Commodity Cost	N/A	25,844	N/A	25,844	28,205	28,205
Variable O&M	N/A	223	N/A	223	243	243
Demand	N/A	6,329	N/A	6,329	6,905	6,905
Environmental Compliance	N/A	362	N/A	362	395	395
Subtotal	N/A	32,757	N/A	32,757	35,749	35,749
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	36,707	36,707
Gas Environmental Externalities	N/A	N/A	N/A	N/A	23,470	23,470
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(13,328)	(11,554)	(1,774)	(13,328)	(13,328)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(13,328)	(11,554)	(1,774)	46,849	46,849
Participant Impacts						
Electric Bill	11,884,228	N/A	(10,992,444)	N/A	N/A	N/A
Gas Bill	40,074	N/A	N/A	(40,074)	N/A	N/A
Participant Rebates and Incentives	3,244,647	N/A	N/A	N/A	3,244,647	N/A
Incremental Capital	(460,307)	N/A	N/A	N/A	(460,307)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	14,708,642	N/A	(10,992,444)	(40,074)	2,784,340	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(37,000)	(37,000)	0	(37,000)	(37,000)
Utility Administration	N/A	(13,526,427)	(13,503,427)	(23,000)	(13,526,427)	(13,526,427)
Advertising & Promotion	N/A	(980,328)	(980,328)	0	(980,328)	(980,328)
Measurement & Verification	N/A	(365,000)	(360,000)	(5,000)	(365,000)	(365,000)
Rebates	N/A	(3,244,647)	(3,239,882)	(4,765)	(3,244,647)	(3,244,647)
Other	N/A	(25,000)	(25,000)	0	(25,000)	(25,000)
Subtotal	N/A	(18,178,402)	**(18,145,637)**	**(32,765)**	(18,178,402)	(18,178,402)
Benefits	15,168,950	40,953,690	40,920,933	32,757	47,999,470	44,754,823
Costs	(460,307)	(18,191,731)	(29,149,636)	(74,613)	(18,652,038)	(18,191,731)
Net Benefit (Cost)	**14,708,642**	**22,761,960**	**11,771,297**	**(41,856)**	**29,347,432**	**26,563,092**
Benefit/Cost Ratio	**32.95**	**2.25**	**1.40**	**0.44**	**2.57**	**2.46**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	6.8 years
Lifetime (Weighted on Dth)	10.0 years
T & D Loss Factor (Energy)	7.49%
T & D Loss Factor (Demand)	9.55%
System Coincident kW Saved at Generator	**100,963 kW**
Annual kWh Saved at Customer	580,717 kWh
Annual kWh Saved at Generator	**627,721 kWh**
Annual Dth Saved	**639 Dth**
Electric Participants	**828,602**
Gas Participants	**83**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	198 tons CO2
Gas Energy Efficiency	47 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	244 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	726 tons CO2
Gas Energy Efficiency	466 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	1,192 tons CO2

DEMAND RESPONSE SEGMENT TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	41,983,098	41,983,098	N/A	45,673,761	45,673,761
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	220,376	220,376	N/A	238,845	238,845
Market Effects and Ancilary Services	N/A	844,069	844,069	N/A	918,252	918,252
Subtotal	N/A	43,047,543	43,047,543	N/A	46,830,859	46,830,859
Gas System Impacts						
Commodity Cost	N/A	48,282	N/A	48,282	52,702	52,702
Variable O&M	N/A	416	N/A	416	454	454
Demand	N/A	11,810	N/A	11,810	12,889	12,889
Environmental Compliance	N/A	676	N/A	676	738	738
Subtotal	N/A	61,183	N/A	61,183	66,783	66,783
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	43,419	43,419
Gas Environmental Externalities	N/A	N/A	N/A	N/A	43,182	43,182
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(19,413)	(16,147)	(3,267)	(19,413)	(19,413)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(19,413)	(16,147)	(3,267)	67,188	67,188
Participant Impacts						
Electric Bill	11,711,484	N/A	(10,819,621)	N/A	N/A	N/A
Gas Bill	74,782	N/A	N/A	(74,782)	N/A	N/A
Participant Rebates and Incentives	3,607,736	N/A	N/A	N/A	3,607,736	N/A
Incremental Capital	(621,960)	N/A	N/A	N/A	(621,960)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	14,772,042	N/A	(10,819,621)	(74,782)	2,985,776	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(87,000)	(87,000)	0	(87,000)	(87,000)
Utility Administration	N/A	(14,245,084)	(14,220,084)	(25,000)	(14,245,084)	(14,245,084)
Advertising & Promotion	N/A	(980,228)	(980,228)	0	(980,228)	(980,228)
Measurement & Verification	N/A	(365,000)	(360,000)	(5,000)	(365,000)	(365,000)
Rebates	N/A	(3,607,736)	(3,599,596)	(8,140)	(3,607,736)	(3,607,736)
Other	N/A	(25,000)	(25,000)	0	(25,000)	(25,000)
Subtotal	N/A	(19,310,048)	**(19,271,908)**	**(38,140)**	(19,310,048)	(19,310,048)
Benefits	15,394,002	43,108,726	43,047,543	61,183	50,591,979	46,984,243
Costs	(621,960)	(19,329,462)	(30,107,676)	(116,189)	(19,951,421)	(19,329,462)
Net Benefit (Cost)	**14,772,042**	**23,779,265**	**12,939,867**	**(55,005)**	**30,640,558**	**27,654,781**
Benefit/Cost Ratio	**24.75**	**2.23**	**1.43**	**0.53**	**2.54**	**2.43**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	6.8 years
Lifetime (Weighted on Dth)	10.0 years
T & D Loss Factor (Energy)	7.47%
T & D Loss Factor (Demand)	9.43%
System Coincident kW Saved at Generator	**117,664 kW**
Annual kWh Saved at Customer	805,123 kWh
Annual kWh Saved at Generator	**870,164 kWh**
Annual Dth Saved	**1,155 Dth**
Electric Participants	**836,175**
Gas Participants	**150**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	198 tons CO2
Gas Energy Efficiency	47 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	244 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	726 tons CO2
Gas Energy Efficiency	842 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	1,568 tons CO2

DEMAND RESPONSE SEGMENT TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	43,745,979	43,745,979	N/A	47,464,276	47,464,276
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	286,446	286,446	N/A	310,701	310,701
Market Effects and Ancilary Services	N/A	880,649	880,649	N/A	955,500	955,500
Subtotal	N/A	44,913,074	44,913,074	N/A	48,730,476	48,730,476
Gas System Impacts						
Commodity Cost	N/A	50,031	N/A	50,031	54,592	54,592
Variable O&M	N/A	431	N/A	431	470	470
Demand	N/A	12,223	N/A	12,223	13,336	13,336
Environmental Compliance	N/A	700	N/A	700	764	764
Subtotal	N/A	63,386	N/A	63,386	69,162	69,162
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	54,118	54,118
Gas Environmental Externalities	N/A	N/A	N/A	N/A	43,948	43,948
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	(24,840)	(21,278)	(3,562)	(24,840)	(24,840)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	(24,840)	(21,278)	(3,562)	73,226	73,226
Participant Impacts						
Electric Bill	11,570,493	N/A	(10,678,581)	N/A	N/A	N/A
Gas Bill	77,400	N/A	N/A	(77,400)	N/A	N/A
Participant Rebates and Incentives	3,907,999	N/A	N/A	N/A	3,907,999	N/A
Incremental Capital	(796,764)	N/A	N/A	N/A	(796,764)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	14,759,127	N/A	(10,678,581)	(77,400)	3,111,235	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(97,000)	(97,000)	0	(97,000)	(97,000)
Utility Administration	N/A	(14,666,221)	(14,638,221)	(28,000)	(14,666,221)	(14,666,221)
Advertising & Promotion	N/A	(980,118)	(980,118)	0	(980,118)	(980,118)
Measurement & Verification	N/A	(365,000)	(360,000)	(5,000)	(365,000)	(365,000)
Rebates	N/A	(3,907,999)	(3,899,693)	(8,307)	(3,907,999)	(3,907,999)
Other	N/A	(25,000)	(25,000)	0	(25,000)	(25,000)
Subtotal	N/A	(20,041,338)	**(20,000,031)**	**(41,307)**	(20,041,338)	(20,041,338)
Benefits	15,555,892	44,976,459	44,913,074	63,386	52,805,704	48,897,705
Costs	(796,764)	(20,066,178)	(30,699,890)	(122,269)	(20,862,943)	(20,066,178)
Net Benefit (Cost)	**14,759,127**	**24,910,281**	**14,213,183**	**(58,883)**	**31,942,762**	**28,831,526**
Benefit/Cost Ratio	**19.52**	**2.24**	**1.46**	**0.52**	**2.53**	**2.44**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	6.9 years
Lifetime (Weighted on Dth)	10.0 years
T & D Loss Factor (Energy)	7.46%
T & D Loss Factor (Demand)	9.34%
System Coincident kW Saved at Generator	**133,746 kW**
Annual kWh Saved at Customer	1,051,071 kWh
Annual kWh Saved at Generator	**1,135,859 kWh**
Annual Dth Saved	**1,155 Dth**
Electric Participants	**842,320**
Gas Participants	**150**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	198 tons CO2
Gas Energy Efficiency	47 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	244 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	726 tons CO2
Gas Energy Efficiency	842 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	1,568 tons CO2

EFFICIENT FUEL SWITCHING TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	(3,334)	(3,334)	N/A	(3,631)	(3,631)
Transmission and Distribution Capacity	N/A	(375)	(375)	N/A	(409)	(409)
Energy Generation	N/A	(19,008)	(19,008)	N/A	(20,763)	(20,763)
Market Effects and Ancilary Services	N/A	(454)	(454)	N/A	(496)	(496)
Subtotal	N/A	(23,171)	(23,171)	N/A	(25,299)	(25,299)
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	(4,490)	(4,490)
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	51,328	51,328
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	384,953	N/A	N/A	N/A	384,953	384,953
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	384,953	0	0	0	431,791	431,791
Participant Impacts						
Electric Bill	(55,410)	N/A	52,887	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	1,061,250	N/A	N/A	N/A	1,061,250	N/A
Incremental Capital	(81,125)	N/A	N/A	N/A	(81,125)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	924,715	N/A	52,887	0	980,125	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(650,000)	(650,000)	0	(650,000)	(650,000)
Advertising & Promotion	N/A	(175,000)	(175,000)	0	(175,000)	(175,000)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	(1,061,250)	(1,061,250)	0	(1,061,250)	(1,061,250)
Other	N/A	0	0	0	0	0
Subtotal	N/A	(1,886,250)	**(1,886,250)**	**0**	(1,886,250)	(1,886,250)
Benefits	1,446,203	0	52,887	0	1,497,531	436,281
Costs	(136,535)	(1,909,421)	(1,909,421)	0	(1,997,164)	(1,916,039)
Net Benefit (Cost)	**1,309,668**	**(1,909,421)**	**(1,856,534)**	**0**	**(499,634)**	**(1,479,759)**
Benefit/Cost Ratio	**10.59**	**0.00**	**0.03**	**INF**	**0.75**	**0.23**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.000 kW**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	10.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	7.89%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-3.75 kW**
Annual kWh Saved at Customer	-49,970 kWh
Annual kWh Saved at Generator	**-54,251 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**1,100**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-16 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	119 tons CO2
TOTAL	102 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-90 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	1,186 tons CO2
TOTAL	1,096 tons CO2

EFFICIENT FUEL SWITCHING TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	(3,389)	(3,389)	N/A	(3,691)	(3,691)
Transmission and Distribution Capacity	N/A	(384)	(384)	N/A	(418)	(418)
Energy Generation	N/A	(19,356)	(19,356)	N/A	(21,081)	(21,081)
Market Effects and Ancilary Services	N/A	(463)	(463)	N/A	(504)	(504)
Subtotal	N/A	(23,592)	(23,592)	N/A	(25,695)	(25,695)
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	(3,927)	(3,927)
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	52,255	52,255
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	391,305	N/A	N/A	N/A	391,305	391,305
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	391,305	0	0	0	439,633	439,633
Participant Impacts						
Electric Bill	(56,410)	N/A	53,843	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	1,261,250	N/A	N/A	N/A	1,261,250	N/A
Incremental Capital	(81,125)	N/A	N/A	N/A	(81,125)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	1,123,715	N/A	53,843	0	1,180,125	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(670,000)	(670,000)	0	(670,000)	(670,000)
Advertising & Promotion	N/A	(160,000)	(160,000)	0	(160,000)	(160,000)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	(1,261,250)	(1,261,250)	0	(1,261,250)	(1,261,250)
Other	N/A	0	0	0	0	0
Subtotal	N/A	(2,091,250)	**(2,091,250)**	**0**	(2,091,250)	(2,091,250)
Benefits	1,652,555	0	53,843	0	1,704,810	443,560
Costs	(137,535)	(2,114,842)	(2,114,842)	0	(2,201,997)	(2,120,872)
Net Benefit (Cost)	**1,515,020**	**(2,114,842)**	**(2,060,998)**	**0**	**(497,187)**	**(1,677,312)**
Benefit/Cost Ratio	**12.02**	**0.00**	**0.03**	**INF**	**0.77**	**0.21**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**#DIV/0!**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	10.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	7.89%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-3.75 kW**
Annual kWh Saved at Customer	-49,970 kWh
Annual kWh Saved at Generator	**-54,251 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**1,200**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-12 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	119 tons CO2
TOTAL	106 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-80 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	1,186 tons CO2
TOTAL	1,106 tons CO2

EFFICIENT FUEL SWITCHING TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	(3,445)	(3,445)	N/A	(3,752)	(3,752)
Transmission and Distribution Capacity	N/A	(393)	(393)	N/A	(428)	(428)
Energy Generation	N/A	(19,129)	(19,129)	N/A	(20,864)	(20,864)
Market Effects and Ancilary Services	N/A	(459)	(459)	N/A	(501)	(501)
Subtotal	N/A	(23,426)	(23,426)	N/A	(25,545)	(25,545)
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	(3,768)	(3,768)
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	53,182	53,182
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	397,761	N/A	N/A	N/A	397,761	397,761
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	397,761	0	0	0	447,175	447,175
Participant Impacts						
Electric Bill	(57,433)	N/A	54,822	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	1,461,250	N/A	N/A	N/A	1,461,250	N/A
Incremental Capital	(81,125)	N/A	N/A	N/A	(81,125)	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	1,322,692	N/A	54,822	0	1,380,125	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(700,000)	(700,000)	0	(700,000)	(700,000)
Advertising & Promotion	N/A	(150,000)	(150,000)	0	(150,000)	(150,000)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	(1,461,250)	(1,461,250)	0	(1,461,250)	(1,461,250)
Other	N/A	0	0	0	0	0
Subtotal	N/A	(2,311,250)	**(2,311,250)**	**0**	(2,311,250)	(2,311,250)
Benefits	1,859,011	0	54,822	0	1,912,193	450,943
Costs	(138,558)	(2,334,676)	(2,334,676)	0	(2,421,688)	(2,340,563)
Net Benefit (Cost)	**1,720,453**	**(2,334,676)**	**(2,279,854)**	**0**	**(509,495)**	**(1,889,620)**
Benefit/Cost Ratio	**13.42**	**0.00**	**0.02**	**INF**	**0.79**	**0.19**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts

Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**#DIV/0!**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts

Lifetime (Weighted on Generator kWh)	10.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	7.89%
T & D Loss Factor (Demand)	8.80%
System Coincident kW Saved at Generator	**-3.75 kW**
Annual kWh Saved at Customer	-49,970 kWh
Annual kWh Saved at Generator	**-54,251 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**1,300**
Gas Participants	**0**

First year Carbon Emissions Reductions

Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-12 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	119 tons CO2
TOTAL	107 tons CO2

Lifetime Carbon Emissions Reductions

Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	-75 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	1,186 tons CO2
TOTAL	1,111 tons CO2

INDIRECT PRODUCTS & SERVICES TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(9,791,343)	(7,833,151)	(1,958,192)	(9,791,343)	(9,791,343)
Advertising & Promotion	N/A	(6,756,120)	(5,509,139)	(1,246,981)	(6,756,120)	(6,756,120)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	0	0	0	0	0
Other	N/A	0	0	0	0	0
Subtotal	N/A	(16,547,463)	**(13,342,290)**	**(3,205,173)**	(16,547,463)	(16,547,463)
Benefits	0	0	0	0	0	0
Costs	0	(16,547,463)	(13,342,290)	(3,205,173)	(16,547,463)	(16,547,463)
Net Benefit (Cost)	**0**	**(16,547,463)**	**(13,342,290)**	**(3,205,173)**	**(16,547,463)**	**(16,547,463)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.000 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**697,494**
Gas Participants	**347,474**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

INDIRECT PRODUCTS & SERVICES TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(10,673,422)	(8,472,390)	(2,201,033)	(10,673,422)	(10,673,422)
Advertising & Promotion	N/A	(7,457,482)	(6,110,953)	(1,346,529)	(7,457,482)	(7,457,482)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	0	0	0	0	0
Other	N/A	(442,086)	(442,086)	0	(442,086)	(442,086)
Subtotal	N/A	(18,572,990)	**(15,025,429)**	**(3,547,562)**	(18,572,990)	(18,572,990)
Benefits	0	0	0	0	0	0
Costs	0	(18,572,990)	(15,025,429)	(3,547,562)	(18,572,990)	(18,572,990)
Net Benefit (Cost)	**0**	**(18,572,990)**	**(15,025,429)**	**(3,547,562)**	**(18,572,990)**	**(18,572,990)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.000 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**698,754**
Gas Participants	**347,944**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

INDIRECT PRODUCTS & SERVICES TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(11,458,827)	(9,173,955)	(2,284,872)	(11,458,827)	(11,458,827)
Advertising & Promotion	N/A	(8,195,409)	(6,741,938)	(1,453,471)	(8,195,409)	(8,195,409)
Measurement & Verification	N/A	0	0	0	0	0
Rebates	N/A	0	0	0	0	0
Other	N/A	0	0	0	0	0
Subtotal	N/A	(19,654,236)	**(15,915,893)**	**(3,738,343)**	(19,654,236)	(19,654,236)
Benefits	0	0	0	0	0	0
Costs	0	(19,654,236)	(15,915,893)	(3,738,343)	(19,654,236)	(19,654,236)
Net Benefit (Cost)	**0**	**(19,654,236)**	**(15,915,893)**	**(3,738,343)**	**(19,654,236)**	**(19,654,236)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.000 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**699,864**
Gas Participants	**348,259**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

RESEARCH, EVALUATIONS & PILOTS TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(6,706,957)	(6,214,682)	(492,275)	(6,706,957)	(6,706,957)
Advertising & Promotion	N/A	0	0	0	0	0
Measurement & Verification	N/A	(2,001,719)	(1,660,313)	(341,406)	(2,001,719)	(2,001,719)
Rebates	N/A	0	0	0	0	0
Other	N/A	(47,500)	(27,500)	(20,000)	(47,500)	(47,500)
Subtotal	N/A	(8,756,176)	**(7,902,495)**	**(853,681)**	(8,756,176)	(8,756,176)
Benefits	0	0	0	0	0	0
Costs	0	(8,756,176)	(7,902,495)	(853,681)	(8,756,176)	(8,756,176)
Net Benefit (Cost)	**0**	**(8,756,176)**	**(7,902,495)**	**(853,681)**	**(8,756,176)**	**(8,756,176)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.000 kW**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

RESEARCH, EVALUATIONS & PILOTS TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(7,055,652)	(6,523,730)	(531,921)	(7,055,652)	(7,055,652)
Advertising & Promotion	N/A	0	0	0	0	0
Measurement & Verification	N/A	(1,965,530)	(1,635,078)	(330,451)	(1,965,530)	(1,965,530)
Rebates	N/A	0	0	0	0	0
Other	N/A	(47,500)	(27,500)	(20,000)	(47,500)	(47,500)
Subtotal	N/A	(9,068,681)	**(8,186,308)**	**(882,373)**	(9,068,681)	(9,068,681)
Benefits	0	0	0	0	0	0
Costs	0	(9,068,681)	(8,186,308)	(882,373)	(9,068,681)	(9,068,681)
Net Benefit (Cost)	**0**	**(9,068,681)**	**(8,186,308)**	**(882,373)**	**(9,068,681)**	**(9,068,681)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**#DIV/0!**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

RESEARCH, EVALUATIONS & PILOTS TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	0	0	N/A	0	0
Transmission and Distribution Capacity	N/A	0	0	N/A	0	0
Energy Generation	N/A	0	0	N/A	0	0
Market Effects and Ancilary Services	N/A	0	0	N/A	0	0
Subtotal	N/A	0	0	N/A	0	0
Gas System Impacts						
Commodity Cost	N/A	0	N/A	0	0	0
Variable O&M	N/A	0	N/A	0	0	0
Demand	N/A	0	N/A	0	0	0
Environmental Compliance	N/A	0	N/A	0	0	0
Subtotal	N/A	0	N/A	0	0	0
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Gas Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	0	0
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	0	N/A	N/A	N/A	0	0
Utility Performance Incentives	N/A	0	0	0	0	0
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	0	0	0	0	0	0
Participant Impacts						
Electric Bill	0	N/A	0	N/A	N/A	N/A
Gas Bill	0	N/A	N/A	0	N/A	N/A
Participant Rebates and Incentives	0	N/A	N/A	N/A	0	N/A
Incremental Capital	0	N/A	N/A	N/A	0	N/A
Incremental O&M	0	N/A	N/A	N/A	0	N/A
Subtotal	0	N/A	0	0	0	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	0	0	0	0	0
Utility Administration	N/A	(7,226,549)	(6,676,837)	(549,713)	(7,226,549)	(7,226,549)
Advertising & Promotion	N/A	0	0	0	0	0
Measurement & Verification	N/A	(2,056,132)	(1,716,207)	(339,925)	(2,056,132)	(2,056,132)
Rebates	N/A	0	0	0	0	0
Other	N/A	(47,500)	(27,500)	(20,000)	(47,500)	(47,500)
Subtotal	N/A	(9,330,182)	**(8,420,544)**	**(909,638)**	(9,330,182)	(9,330,182)
Benefits	0	0	0	0	0	0
Costs	0	(9,330,182)	(8,420,544)	(909,638)	(9,330,182)	(9,330,182)
Net Benefit (Cost)	**0**	**(9,330,182)**	**(8,420,544)**	**(909,638)**	**(9,330,182)**	**(9,330,182)**
Benefit/Cost Ratio	**INF**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**#DIV/0!**
Annual kWh Saved at Customer	#DIV/0!
Annual kWh Saved at Generator	**#DIV/0!**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	0.0 years
Lifetime (Weighted on Dth)	0.0 years
T & D Loss Factor (Energy)	0.00%
T & D Loss Factor (Demand)	0.00%
System Coincident kW Saved at Generator	**0.00 kW**
Annual kWh Saved at Customer	0 kWh
Annual kWh Saved at Generator	**0 kWh**
Annual Dth Saved	**0 Dth**
Electric Participants	**0**
Gas Participants	**0**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	0 tons CO2
Gas Energy Efficiency	0 tons CO2
Electric Electrification	0 tons CO2
Gas Electrification	0 tons CO2
Other Fuel Electification	0 tons CO2
TOTAL	0 tons CO2

PORTFOLIO TOTAL	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	171,867,229	171,867,229	N/A	196,887,825	196,887,825
Transmission and Distribution Capacity	N/A	15,130,362	15,130,362	N/A	17,654,821	17,654,821
Energy Generation	N/A	265,431,635	265,431,635	N/A	309,921,307	309,921,307
Market Effects and Ancilary Services	N/A	9,048,263	9,048,263	N/A	10,488,897	10,488,897
Subtotal	N/A	461,477,489	461,477,489	N/A	534,952,850	534,952,850
Gas System Impacts						
Commodity Cost	N/A	57,936,918	N/A	57,936,918	66,730,101	66,730,101
Variable O&M	N/A	498,924	N/A	498,924	574,440	574,440
Demand	N/A	14,154,644	N/A	14,154,644	16,294,444	16,294,444
Environmental Compliance	N/A	811,117	N/A	811,117	934,221	934,221
Subtotal	N/A	73,401,602	N/A	73,401,602	84,533,206	84,533,206
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	59,404,433	59,404,433
Gas Environmental Externalities	N/A	N/A	N/A	N/A	53,552,325	53,552,325
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	73,811	73,811
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	500,937	N/A	N/A	N/A	500,937	500,937
Utility Performance Incentives	N/A	(28,454,394)	(24,408,684)	(4,045,710)	(28,454,394)	(28,454,394)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	500,937	(28,454,394)	(24,408,684)	(4,045,710)	85,077,113	85,077,113
Participant Impacts						
Electric Bill	797,010,960	N/A	(763,801,353)	N/A	N/A	N/A
Gas Bill	100,937,034	N/A	N/A	(93,647,941)	N/A	N/A
Participant Rebates and Incentives	76,666,537	N/A	N/A	N/A	76,666,537	N/A
Incremental Capital	(202,972,970)	N/A	N/A	N/A	(202,972,970)	N/A
Incremental O&M	101,535,548	N/A	N/A	N/A	114,110,216	N/A
Subtotal	873,177,108	N/A	(763,801,353)	(93,647,941)	(12,196,217)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,277,869)	(925,226)	(352,643)	(1,277,869)	(1,277,869)
Utility Administration	N/A	(65,565,160)	(55,791,980)	(9,773,180)	(65,565,160)	(65,565,160)
Advertising & Promotion	N/A	(14,913,908)	(11,753,845)	(3,160,063)	(14,913,908)	(14,913,908)
Measurement & Verification	N/A	(3,054,063)	(2,619,356)	(434,707)	(3,054,063)	(3,054,063)
Rebates	N/A	(76,666,537)	(62,177,884)	(14,488,653)	(76,666,537)	(76,666,537)
Other	N/A	(2,857,395)	(2,371,736)	(485,659)	(2,857,395)	(2,857,395)
Subtotal	N/A	(164,334,931)	**(135,640,027)**	**(28,694,904)**	(164,334,931)	(164,334,931)
Benefits	1,076,651,016	534,879,092	461,477,489	73,401,602	923,794,317	733,017,564
Costs	(202,972,970)	(192,789,325)	(923,850,064)	(126,388,554)	(395,762,296)	(192,789,325)
Net Benefit (Cost)	**873,678,045**	**342,089,767**	**(462,372,575)**	**(52,986,952)**	**528,032,021**	**540,228,239**
Benefit/Cost Ratio	**5.30**	**2.77**	**0.50**	**0.58**	**2.33**	**3.80**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	15.7 years
Lifetime (Weighted on Dth)	13.8 years
T & D Loss Factor (Energy)	7.71%
T & D Loss Factor (Demand)	9.46%
System Coincident kW Saved at Generator	**206,960 kW**
Annual kWh Saved at Customer	533,129,626 kWh
Annual kWh Saved at Generator	**570,375,117 kWh**
Annual Dth Saved	**1,080,205 Dth**
Electric Participants	**4,325,559**
Gas Participants	**1,131,167**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.9 years
Lifetime (Weighted on Dth)	17.2 years
T & D Loss Factor (Energy)	8.46%
T & D Loss Factor (Demand)	9.49%
System Coincident kW Saved at Generator	**-16.26 kW**
Annual kWh Saved at Customer	-2,057,886 kWh
Annual kWh Saved at Generator	**-2,248,188 kWh**
Annual Dth Saved	**19,018 Dth**
Electric Participants	**1,897**
Gas Participants	**785**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-630 tons CO2
Gas Electrification	1,387 tons CO2
Other Fuel Electification	152 tons CO2
TOTAL	246,589 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,089,302 tons CO2
Electric Electrification	-5,345 tons CO2
Gas Electrification	23,795 tons CO2
Other Fuel Electification	1,731 tons CO2
TOTAL	2,401,496 tons CO2

PORTFOLIO TOTAL	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	173,823,911	173,823,911	N/A	198,681,392	198,681,392
Transmission and Distribution Capacity	N/A	15,210,965	15,210,965	N/A	17,727,457	17,727,457
Energy Generation	N/A	270,050,164	270,050,164	N/A	314,071,180	314,071,180
Market Effects and Ancilary Services	N/A	9,181,374	9,181,374	N/A	10,609,212	10,609,212
Subtotal	N/A	468,266,414	468,266,414	N/A	541,089,241	541,089,241
Gas System Impacts						
Commodity Cost	N/A	65,357,086	N/A	65,357,086	75,406,504	75,406,504
Variable O&M	N/A	562,119	N/A	562,119	648,272	648,272
Demand	N/A	15,951,440	N/A	15,951,440	18,394,844	18,394,844
Environmental Compliance	N/A	914,999	N/A	914,999	1,055,691	1,055,691
Subtotal	N/A	82,785,644	N/A	82,785,644	95,505,311	95,505,311
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	53,352,895	53,352,895
Gas Environmental Externalities	N/A	N/A	N/A	N/A	59,729,691	59,729,691
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	104,549	104,549
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	676,175	N/A	N/A	N/A	676,175	676,175
Utility Performance Incentives	N/A	(28,633,444)	(24,293,962)	(4,339,482)	(28,633,444)	(28,633,444)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	676,175	(28,633,444)	(24,293,962)	(4,339,482)	85,229,865	85,229,865
Participant Impacts						
Electric Bill	801,489,707	N/A	(767,023,718)	N/A	N/A	N/A
Gas Bill	113,486,108	N/A	N/A	(105,439,830)	N/A	N/A
Participant Rebates and Incentives	78,957,098	N/A	N/A	N/A	78,957,098	N/A
Incremental Capital	(207,992,070)	N/A	N/A	N/A	(207,992,070)	N/A
Incremental O&M	102,801,545	N/A	N/A	N/A	115,204,012	N/A
Subtotal	888,742,388	N/A	(767,023,718)	(105,439,830)	(13,830,959)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,598,016)	(1,207,909)	(390,106)	(1,598,016)	(1,598,016)
Utility Administration	N/A	(69,975,529)	(59,176,929)	(10,798,600)	(69,975,529)	(69,975,529)
Advertising & Promotion	N/A	(15,779,250)	(12,436,070)	(3,343,179)	(15,779,250)	(15,779,250)
Measurement & Verification	N/A	(2,970,666)	(2,527,806)	(442,860)	(2,970,666)	(2,970,666)
Rebates	N/A	(78,957,098)	(62,905,254)	(16,051,845)	(78,957,098)	(78,957,098)
Other	N/A	(3,397,459)	(2,793,934)	(603,525)	(3,397,459)	(3,397,459)
Subtotal	N/A	(172,678,018)	**(141,047,902)**	**(31,630,116)**	(172,678,018)	(172,678,018)
Benefits	1,097,410,633	551,052,058	468,266,414	82,785,644	944,618,972	750,457,861
Costs	(207,992,070)	(201,311,462)	(932,365,583)	(141,409,428)	(409,303,532)	(201,311,462)
Net Benefit (Cost)	**889,418,563**	**349,740,596**	**(464,099,169)**	**(58,623,784)**	**535,315,439**	**549,146,399**
Benefit/Cost Ratio	**5.28**	**2.74**	**0.50**	**0.59**	**2.31**	**3.73**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	15.6 years
Lifetime (Weighted on Dth)	14.0 years
T & D Loss Factor (Energy)	7.71%
T & D Loss Factor (Demand)	9.41%
System Coincident kW Saved at Generator	**223,451 kW**
Annual kWh Saved at Customer	532,638,825 kWh
Annual kWh Saved at Generator	**569,358,227 kWh**
Annual Dth Saved	**1,145,031 Dth**
Electric Participants	**4,232,719**
Gas Participants	**1,107,617**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	17.0 years
Lifetime (Weighted on Dth)	17.2 years
T & D Loss Factor (Energy)	8.46%
T & D Loss Factor (Demand)	9.19%
System Coincident kW Saved at Generator	**-55.76 kW**
Annual kWh Saved at Customer	-4,085,387 kWh
Annual kWh Saved at Generator	**-4,463,147 kWh**
Annual Dth Saved	**39,226 Dth**
Electric Participants	**2,773**
Gas Participants	**1,551**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-782 tons CO2
Gas Electrification	2,861 tons CO2
Other Fuel Electification	194 tons CO2
TOTAL	247,953 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,173,173 tons CO2
Electric Electrification	-9,816 tons CO2
Gas Electrification	49,297 tons CO2
Other Fuel Electification	2,437 tons CO2
TOTAL	2,507,104 tons CO2

PORTFOLIO TOTAL	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	182,283,571	182,283,571	N/A	208,315,177	208,315,177
Transmission and Distribution Capacity	N/A	16,092,502	16,092,502	N/A	18,764,291	18,764,291
Energy Generation	N/A	280,630,541	280,630,541	N/A	327,026,318	327,026,318
Market Effects and Ancilary Services	N/A	9,579,800	9,579,800	N/A	11,081,720	11,081,720
Subtotal	N/A	488,586,414	488,586,414	N/A	565,187,507	565,187,507
Gas System Impacts						
Commodity Cost	N/A	74,921,833	N/A	74,921,833	86,483,366	86,483,366
Variable O&M	N/A	643,991	N/A	643,991	742,939	742,939
Demand	N/A	18,267,956	N/A	18,267,956	21,077,177	21,077,177
Environmental Compliance	N/A	1,048,906	N/A	1,048,906	1,210,767	1,210,767
Subtotal	N/A	94,882,686	N/A	94,882,686	109,514,249	109,514,249
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	53,936,496	53,936,496
Gas Environmental Externalities	N/A	N/A	N/A	N/A	67,497,681	67,497,681
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	119,681	119,681
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	787,100	N/A	N/A	N/A	787,100	787,100
Utility Performance Incentives	N/A	(30,389,841)	(25,456,050)	(4,933,791)	(30,389,841)	(30,389,841)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	787,100	(30,389,841)	(25,456,050)	(4,933,791)	91,951,117	91,951,117
Participant Impacts						
Electric Bill	851,172,700	N/A	(811,866,423)	N/A	N/A	N/A
Gas Bill	130,075,055	N/A	N/A	(120,771,173)	N/A	N/A
Participant Rebates and Incentives	84,595,968	N/A	N/A	N/A	84,595,968	N/A
Incremental Capital	(219,605,634)	N/A	N/A	N/A	(219,605,634)	N/A
Incremental O&M	105,177,457	N/A	N/A	N/A	118,046,495	N/A
Subtotal	951,415,547	N/A	(811,866,423)	(120,771,173)	(16,963,171)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,885,484)	(1,456,920)	(428,564)	(1,885,484)	(1,885,484)
Utility Administration	N/A	(73,343,883)	(61,911,483)	(11,432,401)	(73,343,883)	(73,343,883)
Advertising & Promotion	N/A	(16,743,065)	(13,201,815)	(3,541,251)	(16,743,065)	(16,743,065)
Measurement & Verification	N/A	(3,083,664)	(2,625,055)	(458,609)	(3,083,664)	(3,083,664)
Rebates	N/A	(84,595,968)	(65,747,324)	(18,848,643)	(84,595,968)	(84,595,968)
Other	N/A	(3,057,468)	(2,351,982)	(705,486)	(3,057,468)	(3,057,468)
Subtotal	N/A	(182,709,533)	**(147,294,579)**	**(35,414,954)**	(182,709,533)	(182,709,533)
Benefits	1,171,808,281	583,469,100	488,586,414	94,882,686	999,685,177	797,042,714
Costs	(219,605,634)	(213,099,374)	(984,617,051)	(161,119,919)	(432,705,008)	(213,099,374)
Net Benefit (Cost)	**952,202,647**	**370,369,726**	**(496,030,637)**	**(66,237,233)**	**566,980,169**	**583,943,340**
Benefit/Cost Ratio	**5.34**	**2.74**	**0.50**	**0.59**	**2.31**	**3.74**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	15.7 years
Lifetime (Weighted on Dth)	14.2 years
T & D Loss Factor (Energy)	7.72%
T & D Loss Factor (Demand)	9.36%
System Coincident kW Saved at Generator	**243,149 kW**
Annual kWh Saved at Customer	556,884,516 kWh
Annual kWh Saved at Generator	**595,344,260 kWh**
Annual Dth Saved	**1,224,928 Dth**
Electric Participants	**4,227,837**
Gas Participants	**1,086,988**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.9 years
Lifetime (Weighted on Dth)	17.1 years
T & D Loss Factor (Energy)	8.52%
T & D Loss Factor (Demand)	9.17%
System Coincident kW Saved at Generator	**-115.96 kW**
Annual kWh Saved at Customer	-7,603,474 kWh
Annual kWh Saved at Generator	**-8,311,654 kWh**
Annual Dth Saved	**74,032 Dth**
Electric Participants	**4,340**
Gas Participants	**3,012**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-1,403 tons CO2
Gas Electrification	5,399 tons CO2
Other Fuel Electification	210 tons CO2
TOTAL	249,886 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,267,556 tons CO2
Electric Electrification	-17,596 tons CO2
Gas Electrification	92,288 tons CO2
Other Fuel Electification	2,759 tons CO2
TOTAL	2,637,020 tons CO2

PORTFOLIO TOTAL W ALTERNATIVE FILINGS	DSM TOTAL	2024	GOAL

2024 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	180,306,345	180,306,345	N/A	206,450,611	206,450,611
Transmission and Distribution Capacity	N/A	16,091,249	16,091,249	N/A	18,747,231	18,747,231
Energy Generation	N/A	284,062,151	284,062,151	N/A	331,163,221	331,163,221
Market Effects and Ancilary Services	N/A	9,328,568	9,328,568	N/A	10,807,868	10,807,868
Subtotal	N/A	489,788,313	489,788,313	N/A	567,168,931	567,168,931
Gas System Impacts						
Commodity Cost	N/A	58,441,576	N/A	58,441,576	67,676,499	67,676,499
Variable O&M	N/A	498,924	N/A	498,924	574,440	574,440
Demand	N/A	14,154,644	N/A	14,154,644	16,294,444	16,294,444
Environmental Compliance	N/A	811,117	N/A	811,117	934,221	934,221
Subtotal	N/A	73,906,260	N/A	73,906,260	85,479,604	85,479,604
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	63,555,141	63,555,141
Gas Environmental Externalities	N/A	N/A	N/A	N/A	53,552,325	53,552,325
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	73,811	73,811
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	500,937	N/A	N/A	N/A	500,937	500,937
Utility Performance Incentives	N/A	(28,454,394)	(24,408,684)	(4,045,710)	(28,454,394)	(28,454,394)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	500,937	(28,454,394)	(24,408,684)	(4,045,710)	89,227,821	89,227,821
Participant Impacts						
Electric Bill	797,010,960	N/A	(763,801,353)	N/A	N/A	N/A
Gas Bill	100,937,034	N/A	N/A	(93,647,941)	N/A	N/A
Participant Rebates and Incentives	84,236,870	N/A	N/A	N/A	84,236,870	N/A
Incremental Capital	(202,972,970)	N/A	N/A	N/A	(202,972,970)	N/A
Incremental O&M	101,535,548	N/A	N/A	N/A	114,110,216	N/A
Subtotal	880,747,441	N/A	(763,801,353)	(93,647,941)	(4,625,884)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,277,869)	(925,226)	(352,643)	(1,277,869)	(1,277,869)
Utility Administration	N/A	(78,631,356)	(67,794,915)	(10,836,441)	(78,631,356)	(78,631,356)
Advertising & Promotion	N/A	(14,913,908)	(11,753,845)	(3,160,063)	(14,913,908)	(14,913,908)
Measurement & Verification	N/A	(3,054,063)	(2,619,356)	(434,707)	(3,054,063)	(3,054,063)
Rebates	N/A	(84,236,870)	(69,685,695)	(14,551,175)	(84,236,870)	(84,236,870)
Other	N/A	(2,857,395)	(2,371,736)	(485,659)	(2,857,395)	(2,857,395)
Subtotal	N/A	(184,971,460)	**(155,150,773)**	**(29,820,687)**	(184,971,460)	(184,971,460)
Benefits	1,084,221,349	563,694,574	489,788,313	73,906,260	968,677,837	770,330,751
Costs	(202,972,970)	(213,425,854)	(943,360,810)	(127,514,337)	(416,398,825)	(213,425,854)
Net Benefit (Cost)	**881,248,378**	**350,268,720**	**(453,572,497)**	**(53,608,077)**	**552,279,012**	**556,904,897**
Benefit/Cost Ratio	**5.34**	**2.64**	**0.52**	**0.58**	**2.33**	**3.61**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	14.5 years
Lifetime (Weighted on Dth)	13.8 years
T & D Loss Factor (Energy)	7.71%
T & D Loss Factor (Demand)	9.46%
System Coincident kW Saved at Generator	**206,960 kW**
Annual kWh Saved at Customer	533,129,626 kWh
Annual kWh Saved at Generator	**615,431,718 kWh**
Annual Dth Saved	**1,080,205 Dth**
Electric Participants	**4,327,477**
Gas Participants	**1,131,386**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	16.9 years
Lifetime (Weighted on Dth)	17.2 years
T & D Loss Factor (Energy)	8.46%
T & D Loss Factor (Demand)	9.49%
System Coincident kW Saved at Generator	**-16.26 kW**
Annual kWh Saved at Customer	-2,057,886 kWh
Annual kWh Saved at Generator	**-2,248,188 kWh**
Annual Dth Saved	**19,018 Dth**
Electric Participants	**1,897**
Gas Participants	**785**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-630 tons CO2
Gas Electrification	1,387 tons CO2
Other Fuel Electification	152 tons CO2
TOTAL	246,589 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,089,302 tons CO2
Electric Electrification	-5,345 tons CO2
Gas Electrification	23,795 tons CO2
Other Fuel Electification	1,731 tons CO2
TOTAL	2,401,496 tons CO2

PORTFOLIO TOTAL W ALTERNATIVE FILINGS	DSM TOTAL	2025	GOAL

2025 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	182,425,553	182,425,553	N/A	208,429,239	208,429,239
Transmission and Distribution Capacity	N/A	16,197,224	16,197,224	N/A	18,848,820	18,848,820
Energy Generation	N/A	289,229,666	289,229,666	N/A	335,883,278	335,883,278
Market Effects and Ancilary Services	N/A	9,469,048	9,469,048	N/A	10,936,025	10,936,025
Subtotal	N/A	497,321,491	497,321,491	N/A	574,097,362	574,097,362
Gas System Impacts						
Commodity Cost	N/A	65,858,362	N/A	65,858,362	76,351,883	76,351,883
Variable O&M	N/A	562,119	N/A	562,119	648,272	648,272
Demand	N/A	15,951,440	N/A	15,951,440	18,394,844	18,394,844
Environmental Compliance	N/A	914,999	N/A	914,999	1,055,691	1,055,691
Subtotal	N/A	83,286,920	N/A	83,286,920	96,450,690	96,450,690
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	57,082,107	57,082,107
Gas Environmental Externalities	N/A	N/A	N/A	N/A	59,729,691	59,729,691
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	104,549	104,549
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	676,175	N/A	N/A	N/A	676,175	676,175
Utility Performance Incentives	N/A	(28,633,444)	(24,293,962)	(4,339,482)	(28,633,444)	(28,633,444)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	676,175	(28,633,444)	(24,293,962)	(4,339,482)	88,959,077	88,959,077
Participant Impacts						
Electric Bill	801,489,707	N/A	(767,023,718)	N/A	N/A	N/A
Gas Bill	113,486,108	N/A	N/A	(105,439,830)	N/A	N/A
Participant Rebates and Incentives	86,546,641	N/A	N/A	N/A	86,546,641	N/A
Incremental Capital	(207,992,070)	N/A	N/A	N/A	(207,992,070)	N/A
Incremental O&M	102,801,545	N/A	N/A	N/A	115,204,012	N/A
Subtotal	896,331,931	N/A	(767,023,718)	(105,439,830)	(6,241,416)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,598,016)	(1,207,909)	(390,106)	(1,598,016)	(1,598,016)
Utility Administration	N/A	(86,082,865)	(73,698,360)	(12,384,505)	(86,082,865)	(86,082,865)
Advertising & Promotion	N/A	(15,779,250)	(12,436,070)	(3,343,179)	(15,779,250)	(15,779,250)
Measurement & Verification	N/A	(2,970,666)	(2,527,806)	(442,860)	(2,970,666)	(2,970,666)
Rebates	N/A	(86,546,641)	(70,432,275)	(16,114,367)	(86,546,641)	(86,546,641)
Other	N/A	(3,397,459)	(2,793,934)	(603,525)	(3,397,459)	(3,397,459)
Subtotal	N/A	(196,374,897)	**(163,096,354)**	**(33,278,543)**	(196,374,897)	(196,374,897)
Benefits	1,105,000,176	580,608,411	497,321,491	83,286,920	989,891,227	788,140,573
Costs	(207,992,070)	(225,008,341)	(954,414,035)	(143,057,855)	(433,000,411)	(225,008,341)
Net Benefit (Cost)	**897,008,106**	**355,600,070**	**(457,092,544)**	**(59,770,935)**	**556,890,815**	**563,132,232**
Benefit/Cost Ratio	**5.31**	**2.58**	**0.52**	**0.58**	**2.29**	**3.50**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts	
Lifetime (Weighted on Generator kWh)	14.4 years
Lifetime (Weighted on Dth)	14.0 years
T & D Loss Factor (Energy)	7.71%
T & D Loss Factor (Demand)	9.41%
System Coincident kW Saved at Generator	**223,451 kW**
Annual kWh Saved at Customer	532,638,825 kWh
Annual kWh Saved at Generator	**614,507,259 kWh**
Annual Dth Saved	**1,145,031 Dth**
Electric Participants	**4,234,691**
Gas Participants	**1,107,836**

Beneficial Electrification Impacts	
Lifetime (Weighted on Generator kWh)	17.0 years
Lifetime (Weighted on Dth)	17.2 years
T & D Loss Factor (Energy)	8.46%
T & D Loss Factor (Demand)	9.19%
System Coincident kW Saved at Generator	**-55.76 kW**
Annual kWh Saved at Customer	-4,085,387 kWh
Annual kWh Saved at Generator	**-4,463,147 kWh**
Annual Dth Saved	**39,226 Dth**
Electric Participants	**2,773**
Gas Participants	**1,551**

First year Carbon Emissions Reductions	
Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-782 tons CO2
Gas Electrification	2,861 tons CO2
Other Fuel Electification	194 tons CO2
TOTAL	247,953 tons CO2

Lifetime Carbon Emissions Reductions	
Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,173,173 tons CO2
Electric Electrification	-9,816 tons CO2
Gas Electrification	49,297 tons CO2
Other Fuel Electification	2,437 tons CO2
TOTAL	2,507,104 tons CO2

PORTFOLIO TOTAL W ALTERNATIVE FILINGS	DSM TOTAL	2026	GOAL

2026 Net Present Cost Benefit Summary Analysis For All Participants Benefits (Positive Values) Costs (Negative Values)

	Participant Test ($Total)	Utility Test ($Total)	Electric Rate Impact Test ($Total)	Gas Rate Impact Test ($Total)	Societal Test ($Total)	Minnesota Test ($Total)
Electric System Impacts						
Generation Capacity	N/A	191,071,534	191,071,534	N/A	218,276,118	218,276,118
Transmission and Distribution Capacity	N/A	17,107,228	17,107,228	N/A	19,918,257	19,918,257
Energy Generation	N/A	299,802,376	299,802,376	N/A	348,860,046	348,860,046
Market Effects and Ancilary Services	N/A	9,869,545	9,869,545	N/A	11,411,206	11,411,206
Subtotal	N/A	517,850,683	517,850,683	N/A	598,465,628	598,465,628
Gas System Impacts						
Commodity Cost	N/A	75,373,996	N/A	75,373,996	87,428,537	87,428,537
Variable O&M	N/A	643,991	N/A	643,991	742,939	742,939
Demand	N/A	18,267,956	N/A	18,267,956	21,077,177	21,077,177
Environmental Compliance	N/A	1,048,906	N/A	1,048,906	1,210,767	1,210,767
Subtotal	N/A	95,334,849	N/A	95,334,849	110,459,420	110,459,420
Environmental Externalities and Non-Energy Impacts						
Electric Environmental Externalities	N/A	N/A	N/A	N/A	57,551,773	57,551,773
Gas Environmental Externalities	N/A	N/A	N/A	N/A	67,497,681	67,497,681
Other Fuels Environmental Externalities	N/A	N/A	N/A	N/A	119,681	119,681
Electric Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Gas Non-Energy Benefits	0	N/A	N/A	N/A	0	0
Other Fuels Benefits	787,100	N/A	N/A	N/A	787,100	787,100
Utility Performance Incentives	N/A	(30,389,841)	(25,456,050)	(4,933,791)	(30,389,841)	(30,389,841)
Utility Non-Energy Benefits	N/A	0	0	0	0	0
Subtotal	787,100	(30,389,841)	(25,456,050)	(4,933,791)	95,566,394	95,566,394
Participant Impacts						
Electric Bill	851,172,700	N/A	(811,866,423)	N/A	N/A	N/A
Gas Bill	130,075,055	N/A	N/A	(120,771,173)	N/A	N/A
Participant Rebates and Incentives	92,220,931	N/A	N/A	N/A	92,220,931	N/A
Incremental Capital	(219,605,634)	N/A	N/A	N/A	(219,605,634)	N/A
Incremental O&M	105,177,457	N/A	N/A	N/A	118,046,495	N/A
Subtotal	959,040,510	N/A	(811,866,423)	(120,771,173)	(9,338,208)	N/A
Utility Impacts						
Utility Project Costs						
Customer Services	N/A	(1,885,484)	(1,456,920)	(428,564)	(1,885,484)	(1,885,484)
Utility Administration	N/A	(89,805,307)	(76,711,093)	(13,094,215)	(89,805,307)	(89,805,307)
Advertising & Promotion	N/A	(16,743,065)	(13,201,815)	(3,541,251)	(16,743,065)	(16,743,065)
Measurement & Verification	N/A	(3,083,664)	(2,625,055)	(458,609)	(3,083,664)	(3,083,664)
Rebates	N/A	(92,220,931)	(73,309,765)	(18,911,165)	(92,220,931)	(92,220,931)
Other	N/A	(3,057,468)	(2,351,982)	(705,486)	(3,057,468)	(3,057,468)
Subtotal	N/A	(206,795,920)	**(169,656,630)**	**(37,139,290)**	(206,795,920)	(206,795,920)
Benefits	1,179,433,244	613,185,532	517,850,683	95,334,849	1,045,148,709	834,881,283
Costs	(219,605,634)	(237,185,761)	(1,006,979,102)	(162,844,255)	(456,791,395)	(237,185,761)
Net Benefit (Cost)	**959,827,610**	**375,999,771**	**(489,128,419)**	**(67,509,406)**	**588,357,314**	**597,695,522**
Benefit/Cost Ratio	**5.37**	**2.59**	**0.51**	**0.59**	**2.29**	**3.52**

Note: Dollar values represent present value of impacts accumulated over the lifetime of the measures.

Energy Efficiency Impacts

Lifetime (Weighted on Generator kWh)	14.5 years
Lifetime (Weighted on Dth)	14.2 years
T & D Loss Factor (Energy)	7.72%
T & D Loss Factor (Demand)	9.36%
System Coincident kW Saved at Generator	**243,149 kW**
Annual kWh Saved at Customer	556,884,516 kWh
Annual kWh Saved at Generator	**640,650,635 kWh**
Annual Dth Saved	**1,224,928 Dth**
Electric Participants	**4,229,859**
Gas Participants	**1,087,207**

Beneficial Electrification Impacts

Lifetime (Weighted on Generator kWh)	16.9 years
Lifetime (Weighted on Dth)	17.1 years
T & D Loss Factor (Energy)	8.52%
T & D Loss Factor (Demand)	9.17%
System Coincident kW Saved at Generator	**-115.96 kW**
Annual kWh Saved at Customer	-7,603,474 kWh
Annual kWh Saved at Generator	**-8,311,654 kWh**
Annual Dth Saved	**74,032 Dth**
Electric Participants	**4,340**
Gas Participants	**3,012**

First year Carbon Emissions Reductions

Electric Energy Efficiency	166,901 tons CO2
Gas Energy Efficiency	78,779 tons CO2
Electric Electrification	-1,403 tons CO2
Gas Electrification	5,399 tons CO2
Other Fuel Electification	210 tons CO2
TOTAL	249,886 tons CO2

Lifetime Carbon Emissions Reductions

Electric Energy Efficiency	1,292,013 tons CO2
Gas Energy Efficiency	1,267,556 tons CO2
Electric Electrification	-17,596 tons CO2
Gas Electrification	92,288 tons CO2
Other Fuel Electification	2,759 tons CO2
TOTAL	2,637,020 tons CO2