History

- Pilot program in 2003 targeted residential new construction market (builders)

- In 2004, expanded to include residential electric customers in specific areas
  - Marketing efforts shifted to customers versus builders
  - Amended equipment performance requirements
  - Established network of HVAC dealers and retailers
History Cont’d

- Moved administration and rebate processing in house
- Expanded to include all residential electric customers in Colorado
### Participation and Savings

<table>
<thead>
<tr>
<th>Year</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>21</td>
</tr>
<tr>
<td>2004</td>
<td>3,053</td>
</tr>
<tr>
<td>2005</td>
<td>2,882</td>
</tr>
<tr>
<td>2006</td>
<td>3,211</td>
</tr>
<tr>
<td>Total</td>
<td>9,167</td>
</tr>
</tbody>
</table>

Total Peak kW savings = 12.6 MW
Program Guidelines

- Xcel Energy residential electric customer in Colorado
- Equipment must be new and have a minimum ISR airflow of 2,500 CFM
- Unit must be permanently installed
  - Roof, ground, window, etc.
  - Portable units (on wheels) do not qualify
- Customer incentive per unit is $200
Retailers and Dealers

- Customers may purchase their unit from retailers or HVAC contractors
  - May install the unit themselves or hire a contractor

- Majority of rebates come from units purchased at retailers
  - Home Depot the largest retailer in the program
  - Units stocked by April and sold by October
  - Memorial Day weekend is the start of the sales season
Historical Program Seasonality

Number of Participants

Month

Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec

2004
2005
2006
2007
Marketing Strategy

- Bill inserts
- Newspaper advertisements
- Xcel Energy Internet
- Dealer/Retailer packet
  - Program details
  - FAQ
  - Rebate applications
YOUR COOL.
OUR CASH.

Save $250 Energy returns up to $250 on a highly efficient, energy-conserving system. Just visit xcelenergy.com/HomeCooling-Co for an application and a list of participating retailers and dealers. They'll help you find the system that's right for you for maximum efficiency and savings...and with your rebate, you'll save even more. Get the details by calling Xcel Energy at 1-800-655-9999 or visit xcelenergy.com/HomeCooling-Co.

Your Life. Our Energy.
2007 Program Goals & Savings

- **Participation Goals:**
  - 2,700 units
  - YTD 1,000 units rebated

- **Estimated Peak and Energy Savings:**
  - 3,780 kW savings
  - 2,595 MWh savings
Program Assumptions

- Total Resource Cost test (TRC) = 2.5
- Free ridership is 40%
- 961 kWh savings per unit*
- 1.4 kW savings per unit*

* Based on replacing a central AC system
Challenges

Retailers

- Keeping information current and available
  - Training at retailer staff meetings
  - Point-of-sale displays with applications
  - Monthly newsletters
  - Application available on our web site
Challenges

- **HVAC Contractors**
  - Tend to push central AC over evaporative cooling

- **Homeowners Associations**
  - Not all HOAs allow evaporative cooling units

- **New Construction**
  - Still resistant to installing evaporative cooling
Future Opportunities

1. Tiered rebate approach
   - Based on size of unit

2. Include emerging technologies
   - Indirect evaporative cooler
Contact Information

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