

Attachment E - Multi Family proposal

Principles to be incorporated into the innovative, one-stop-shop, DSM program for the market-rate multifamily (“MF”) product:

1. Focus on the non-subsidized, *i.e.* market-rate, MF housing properties. There should be no overlap with the Low-income subsidized housing program run by EOC;
2. Focus on deep retrofits for this market-rate segment in order to minimize any potential overlap with the Franklin Energy DI focused program;
3. Definition of MF should be: 4 or more units under one ownership or management firm and encompassing one site/property;
4. Cover an entire MF property (*i.e.*, in-unit residential meters, common area and exterior commercial meters”);
5. Offered to existing (*i.e.*, retrofits) and new construction MF properties;
6. The program should include custom incentives where the rebate is directly tied to the energy savings as opposed to prescriptive rebates. New Construction rebates can be tied to savings achieved above code and not any specific ECM or prescriptive rebate;
7. Program is focused on early retirement of functioning equipment, not end-of-life replacements, which also implies savings are based on de-rating the functioning equipment, not on baseline code install;
8. Program does NOT process rebates for individual end-of-life replacements – those go to Franklin Energy DI focused product;
9. Program offers one-stop-shop service from audit to design to bids for subs to managing the ECM install to help with financing (program also reduces cost of project by rebate amount so MF property does not have to finance/fund rebate);
10. Covers all utilities *i.e.* electric, gas and water. And leverages rebates from all other utilities including water and other gas and electric providers when Xcel is not the provider of both gas and electric;
11. Program implementer is paid on a pay-for-performance basis *i.e.* paid for energy savings provided to Xcel Energy;
12. Level of rebate is calculated from energy savings to ensure cost-effectiveness *i.e.* set the rebate per kWh or therm, so as to meet TRC requirements for PUC. For example, if
 - \$3.75/therm is a cost-effective incentive level, then the new program could provide 65,000 therm of savings in year 1, and 135,000 in year 2
 - 30 cents/kWh is a cost-effective incentive level, then the new program could provide 5 Million kWh of savings in year 1, and 10 Million kWh in year 2
13. Can offer not only EE but also DR (peak load) + Resident Engagement + O&M Training for staff;
14. Offer EE consulting services to MF customer including accessing Green Lending incentives, tax credits and deductions, Green certifications, high performance building design – paid for by MF customer, with perhaps some assistance from Xcel Energy;
15. Depending on incentive levels available, the energy savings levels can be finalized once implementer is selected.

