



Electrification Tutorial & Fun Facts to Know & Tell

Facts:

- There will be no more coal fired power plants built.
- There will be no more natural gas fired power plants built.
- We already know – there will be no more nuclear power plants built.

- As of January 2024, in Denver, there will be no more permits issued for natural gas lines for single family residences or multi-family projects. (Note this is already in effect in southern California and other places.)

- As of March 1, 2023 - before a permit can be pulled for a commercial or multi-family “change-out” of HVAC equipment, there must be an “Electrification Feasibility Report” completed, showing that an electric heat pump has been compared. Only “emergency” natural gas and standard electric air conditioning change-outs will be allowed.

What Is Time of Use Pricing?

First off, you need to know how time of use rates work. Time of use pricing bills customers at different rates for electricity usage based on the time of day they draw power from the grid.

Xcel Energy divides weekdays (excluding holidays) into three different parts based on the level of energy consumption:

- **Off-Peak Hours:** 7 p.m. to 1 p.m.
- **Mid-Peak Hours:** 1 p.m. to 3 p.m.
- **Peak Hours:** 3 p.m. to 7 p.m.

The time of use rate varies between summer and winter. Pricing is per kilowatt hour (kWh):

- **Summer Time of Use Rates:**
 - **Off-Peak Hours:** \$0.11 per kWh
 - **Mid-Peak Hours:** \$0.19 per kWh
 - **Peak Hours:** \$0.28 per kWh

- **Winter Time of Use Rates:**

- **Off-Peak Hours:** \$0.11 per kWh
- **Mid-Peak Hours:** \$0.14 per kWh
- **Peak Hours:** \$0.18 per kWh

On weekends and holidays, Xcel Energy uses general residential pricing. The rate is \$0.14 per kWh in the summer and \$0.12 per kWh in the winter.

- **At a 6:30 a.m. meeting on a Tuesday in March 2023, Xcel Energy met with the Public Utilities Commission (PUC) to ask for an increase on electrical rates beginning in the fall of 2023.**
- **Xcel Energy does not produce their own natural gas – they out-source or buy it from other sources. We just experienced higher natural gas bills this winter (2022/2023), and Xcel states natural gas will only go up from now into the future.**
- **The City and County of Denver established the very generous Denver Climate Action Rebates (CARebates) to encourage homeowners to install high efficiency heat pumps or hybrid heating systems and heat pump hot water heaters. Xcel Energy increased their rebates allowed for the same types of systems.**
- **CARebates has also issued rebates for solar photovoltaic systems, storage batteries, electric vehicle chargers, and e-bikes. Xcel Energy has rebates for some of these systems.**
- **Other cities, counties, and municipalities have already begun to follow suit.**
- **The Inflation Reduction Act (IRA) has allocated billions of dollars in tax credits for high energy efficiency projects of which Americans will be able to take advantage. As of the date of this document (May 1, 2023) Colorado has not decided how the funds allocated to this state will be distributed.**

We can help you safely and wisely surf these electrification waves!