



# **Clean Energy Partnership Q1 EVAC Meeting March 16, 2026**



## Agenda

1. Welcome and Introductions
2. Review and Approve Agenda and 2025 Q4 Minutes
3. Update regarding Clean Energy Partnership Board Member seats
4. Upcoming Activities
5. Deeper dive into intersecting programs
6. Prospect Park Project

- 5. Deeper dive into intersecting programs**
  - b. Xcel Energy ECO Programs (including regulatory context/timeline)**
  - c. Xcel Energy Renewable and Electric Vehicle Programs**

# **XCEL ENERGY'S** **PROGRAM OVERVIEW**

March 16 , 2026

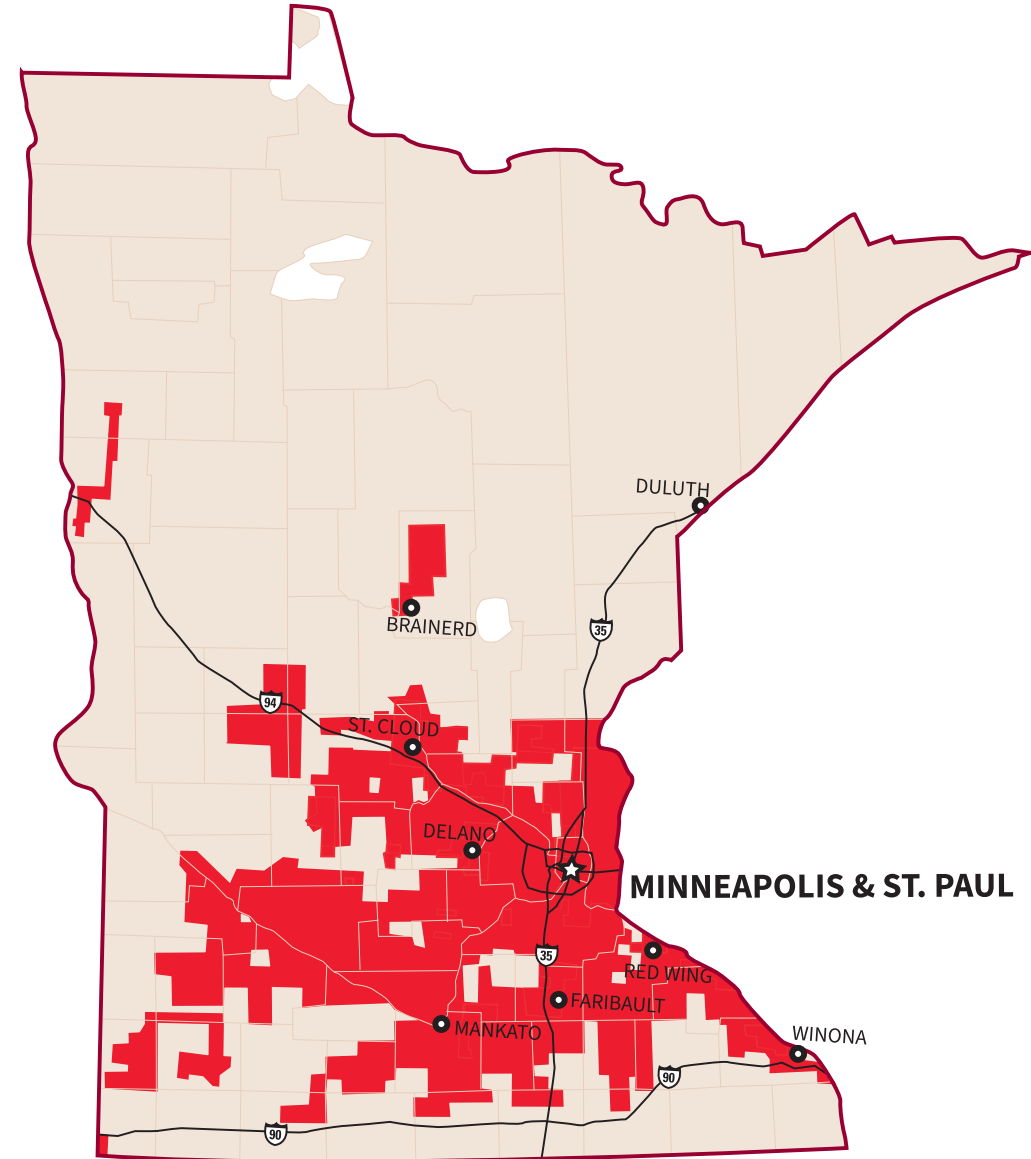


# SERVING MINNESOTA

**1.4 million**  
electric customers

**483,000**  
natural gas customers

**99.98%**  
electric reliability



# HISTORIC IMPACT OF ENERGY EFFICIENCY AND OPTIMIZATION



**~3.4 M**

Residential Rebates



**153,000**

Business Rebates



**\$39.7M**

Income Qualified Spending



**18**

Power Plants Avoided  
since 1992

# ENERGY CONSERVATION AND OPTIMIZATION (ECO)\*

- ECO rules and processes are solidified in Minnesota Statute §216B.2402, subd. 7
- Utilities are required to submit a new plan every three years for approval by the Department of Commerce

\*Formerly Conservation Improvement Program (CIP)

1

**Energy Efficiency:** Targets customer behavior, equipment, process, or devices while reducing the consumption of electricity or natural gas

2

**Load Management:** Incentives for the change in timing of a customer's energy use (i.e. Demand Response)

3

**Efficient Fuel Switching:** Rebates for changing fuel sources such as natural gas to electric (i.e., Heat Pumps)



# 2027-2029 ECO TRIENNIAL HIGHLIGHTS

## Continues our commitment to energy efficiency and optimization

- 1.75%+ of retail sales for electric
- 1%+ of retail sales for natural gas
- Robust portfolio of Residential Programs
- Continued holistic opportunities for business customers
- Growth of our Demand Response Portfolio and Load Flexibility

## Focus on emission reductions

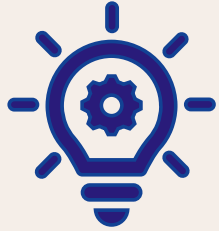
- **Continued Efforts**
  - Outdoor Equipment
  - Heat Pumps
  - Weatherization
  - Industrial Process
  - Geographic Consistency
- **New Opportunities**
  - Support for Electric Vehicles
  - New all-electric home retrofit bundle
  - E-Bikes

## Changing the way customers use energy

- Program Alignment
- Increased focus on low-to-moderate income customers



# ENERGY EFFICIENCY PROGRAM OFFERINGS



## Equipment Efficiency

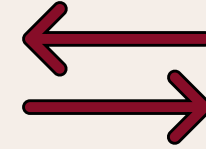
- Business Education
- Business Energy Assessments
- Business New Construction
- Commercial EV Infrastructure
- Commercial Outdoor Equipment
- Compressed Air Efficiency
- Data Center Efficiency
- HVAC+R
- Lighting Efficiency
- Multi Family Building Efficiency
- Non-Profit Energy Savings Program
- Process & Commercial Efficiency
- Self-Direct



## Market Transformation\*

- Luminaire Level Lighting Controls
- Air Source Heat Pumps
- High Performance Rooftop Units
- Codes Advancement

*\*These products are filed by the MN Efficient Technology Accelerator.*



## Efficient Fuel Switching

Products *within* existing ECO programs:

- HVAC+R
- New Construction
- Commercial Efficiency
- Process Efficiency

# CURRENT STATE – INCOME QUALIFIED SEGMENT

## Home Energy Savings Program (HESP)

Comprehensive energy efficiency upgrades including appliances and HVAC measures

**\*Income verified**

## Low Income Home Energy Squad

Direct installation of efficiency measures

Identifies potential candidates for HESP.

**\*Income self-attestation/identification**

## Low Income Multi-Family Building Efficiency

\* 50 percent of the units occupied by low-income households

assessment of common-spaces and centralized mechanicals in 5+ unit housing.

direct installation measures both in-unit and in common spaces, and improvements.

## Workforce Development

training and internships to enable placement in the energy-efficiency industry to low-income clients.

|                             | 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        |                       |

# Income Qualified Proposal Executive Summary

This proposed framework will change how we deliver programs to income-qualified customers by simplifying pathways, expanding eligibility, and strengthening community partnerships.

## Program Improvements

### Expanded Eligibility Pathways



### Simplified Customer Experience



### Prioritized Support for Income-Qualified Customers



## Expected Outcomes

- Increased participation
- Simplified program enrollment
- Greater energy savings and bill reduction for customers
- Stronger collaboration with municipalities and community organizations
- Expand workforce opportunities in energy efficiency



# WHY CHANGE PROGRAMS

- Customers are looking for personalized solutions.
- New opportunities for participation are needed to help customers achieve their energy goals

## Participation Barriers

- Limited time and other urgent priorities for customers
- Difficult to understand programs and what their value brings to them
- Uncertainty in how to access key resources and program information
- Difficulty understanding how and where to apply and enroll in programs



# Workforce Development

- Increased training through current workforce development implementor
- Expand scope for current and new partnerships
- Community delivery model opportunity to focus on local community interest in workforce development through expansion of partners.



# WHY DEMAND MANAGEMENT?

### Grid Reliability and Peak Management

- Demand Response reduces stress during peak demand through active and behavioral load management, ensuring grid stability and customer trust

### Customer Engagement and Incentives

- Involving consumers with incentives fosters shared responsibility and strengthens utility-customer relationships for program success while often providing a direct benefit to participants and indirect benefits for all

### Cost Efficiency and Infrastructure Deferral

- Programs can help defer expensive infrastructure projects, lowering long-term costs and benefiting customers with more affordable energy

### Support for electrification

- Demand Management programs can help support electrification of transportation and building end uses

### Renewable Energy Integration

- Demand Management adjusts load in real time which can accommodate variable wind and solar power, supporting or maximizing renewable energy generation

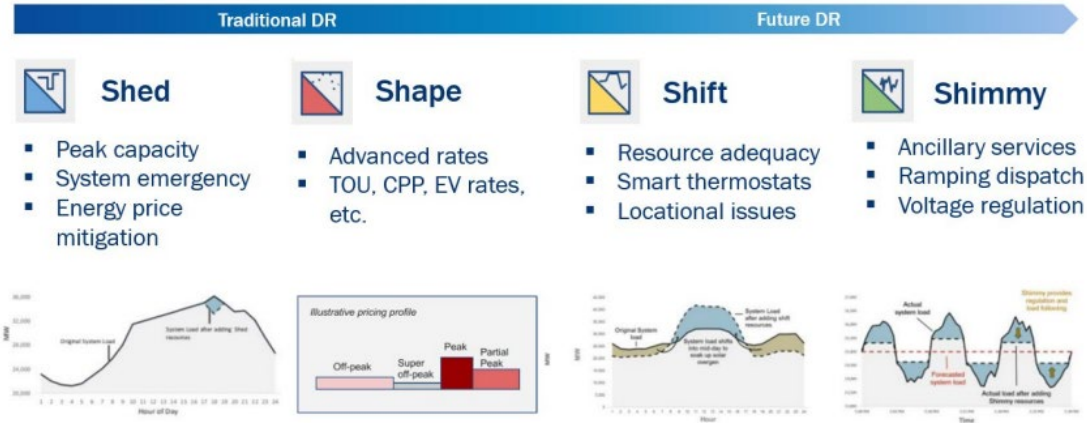


Figure 1. Lawrence Berkeley National Laboratory's Load Flexibility Framework Source: Alstone et al. 2017

# COMMERCIAL & INDUSTRIAL (C&I) DEMAND RESPONSE

## Business Demand Response Portfolio

### C&I Demand Response Programs

- Commercial AC Control
- Electric Rate Savings
- Peak Day Partners
- Peak Partner Rewards
- Thermal Storage

#### **2026 (Electric)**

Budget: \$6,570,246  
Participants: 6,160

#### **2026 (Natural Gas)**

Budget: \$41,307  
Participants: 150

## Changes to Portfolio

- **Combining Savers Switch for Biz and Commercial AC Rewards** into one program, filed together
- **Launching a new product** under Peak Partner Rewards called **PPR+** with a similar structure as Peak Flex Credit. Customers enrolled in Peak Flex Credit can be transitioned to PPR+
- Launching a new program, **Thermal Storage**, a daily four-hour load shifting program where customers are asked to turn off or lower their refrigeration or cooling equipment in the afternoon and run them extra hours or at extra intensity overnight



# RESIDENTIAL UPDATES: FLEX AND SAVE

Align toward simplified “program” structure with multiple and tiered offerings to allow for customer choice and increased incentives for more control – while positioning more closely with the controlled technologies. The Flex and Save offerings will be technology or use-focused and create tiered or multiple offerings to provide customer options and pathways for participation.

## Flex and Save - Home Comfort

**Saver's Switch**

### AC Rewards - Residential

- Single Family
- Multifamily

**Smart HP Water Heater**

## Flex and Save: Choices

**Peak Time Rebates**

**Time of Use Rates**

## Flex and Save - Storage and Resilience

**Battery Connect**

**Battery Storage Incentive Program**



# DEMAND MANAGEMENT: FLEX AND SAVE – STORAGE AND RESILIENCE

The Storage and Resilience program will be designed to offer incentives demand management options for qualifying battery systems, while directing interested customers toward available upfront incentives. As interest in storage grows, we will look at ways to expand upon this program.

## Battery Connect - MN

- **Reduce enrollment incentive to align with increased pay for performance participation incentive**
- **Propose \$/kW pay for performance model similar to industry standards**
- Focus on performance payments vs upfront.
- Update program design for more flexibility for controls
  - Reserve capacity
  - Charging/discharging duration and timing
  - Hours of operation

## Battery Storage Incentive Program

- Direct customers without a battery to participate
- Program details
  - Market Rate: \$175 per kWh
  - Income qualified: \$370 per kWh
  - Incentive capped at \$5,000
  - System size must be 50kWh or less



# REGULATORY OVERSIGHT

ECO Programs are regulated by the Minnesota Department of Commerce (DOC)

The DOC oversees:

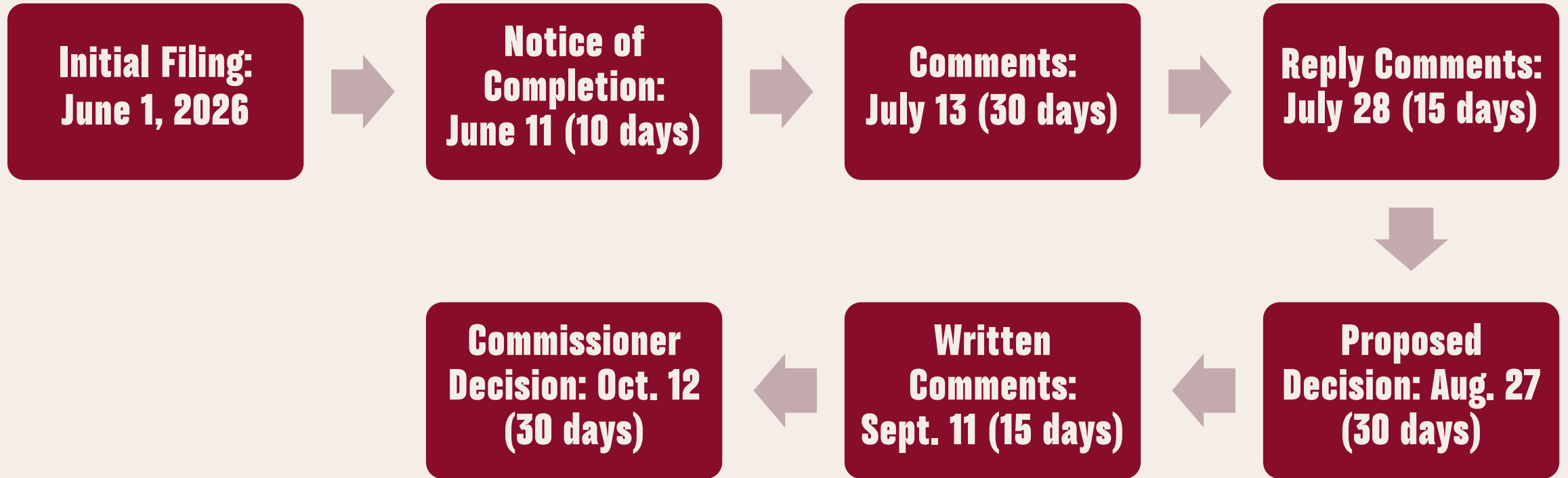
- Triennial Plans
- Modifications to Triennial Plans
- Status Reports

The Minnesota Public Utilities Commission oversees rates and performance incentives for meeting energy efficiency goals.



# PRELIMINARY TIMELINE

## DOCKET NO. E002,G002/CIP-26-110



\*Timeline subject to change

# STAKEHOLDER FEEDBACK

Opportunities for feedback:

- Comment process for the ECO Triennial Plan
- Comment process for Modifications

Information on how to file comments can be found at:

<https://mn.gov/puc/get-involved/public-comments/>

We will consider all feedback for incorporation into our plans.



# TRANSPORTATION VISION

As part of our aspiration to deliver zero-carbon fuel for all vehicles in the states we serve by 2050, we're ambitiously driving toward a goal to enable the charging infrastructure for 1.5 million electric vehicles and electrify 20% of our combined fleet by 2035.

Residential and business electric vehicle charging offerings.

Filed for new Transportation Electrification plan in 2025.

Available incentives: Charger & home wiring and electric panel upgrade rebates



# RENEWABLES

## Renewable Options

Because you're an Xcel Energy customer, part of the energy you use every day comes from renewable sources like wind and solar. If you're interested in using more renewable energy, you have several options. Explore additional choices to increase your impact.

### Subscription programs

Available if you can't, or don't want to, install equipment like solar panels at your home or business. Depending on the program, you can have a portion or all of your electrical power come from renewable sources for a small monthly cost.

**Renewable\*Connect** subscribe to up to 100% of clean energy, keep the Renewable Energy Credits (REC) and potentially save on energy bills. Choose the renewable energy subscription that fits the needs of your home, business or community.

**Community Solar** Participants support the development of nearby solar gardens without installing solar panels on their home or business. Solar\* Rewards Community enables subscriptions to a nearby, third-party community solar garden.

Once subscribed, customers will begin receiving credits on their monthly utility bill for the solar energy that their subscription contributes to the Xcel Energy grid.

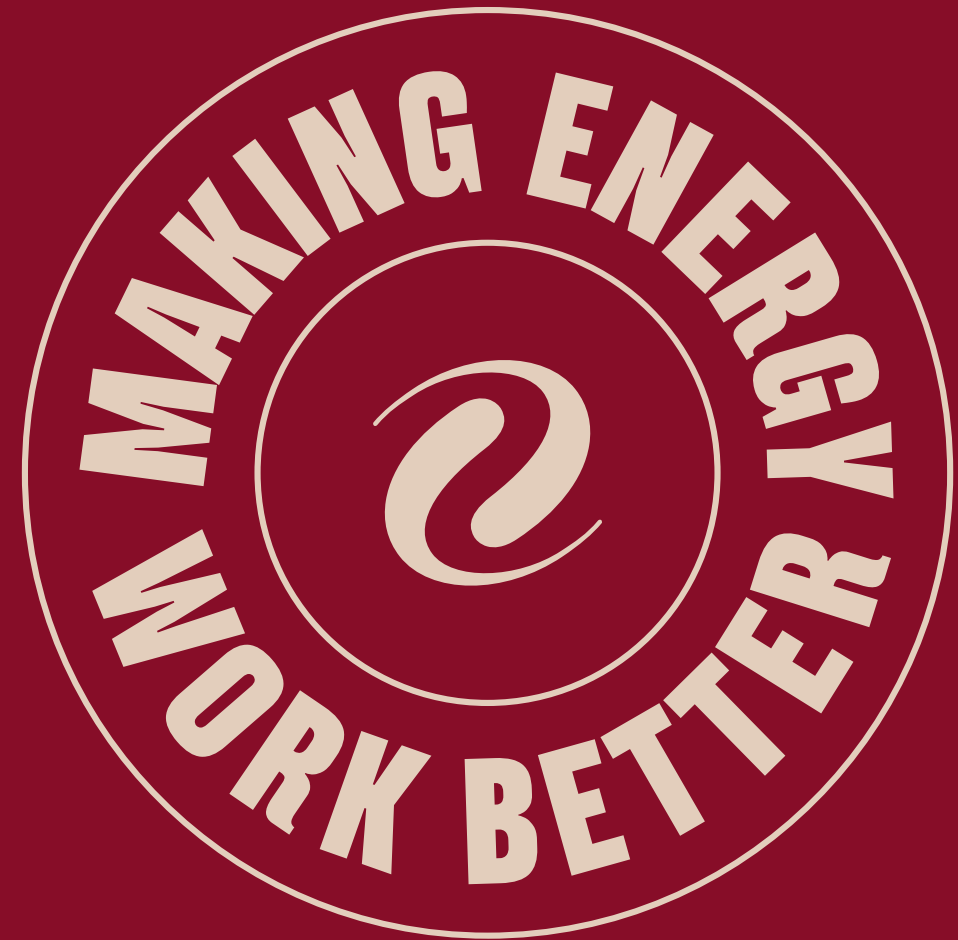
### On-site programs

Available for those who want to install equipment at your home or business. On-site renewables offer several benefits, including the potential for lower electric bills and incentives when you produce more energy than you consume. Battery storage incentives are also available.



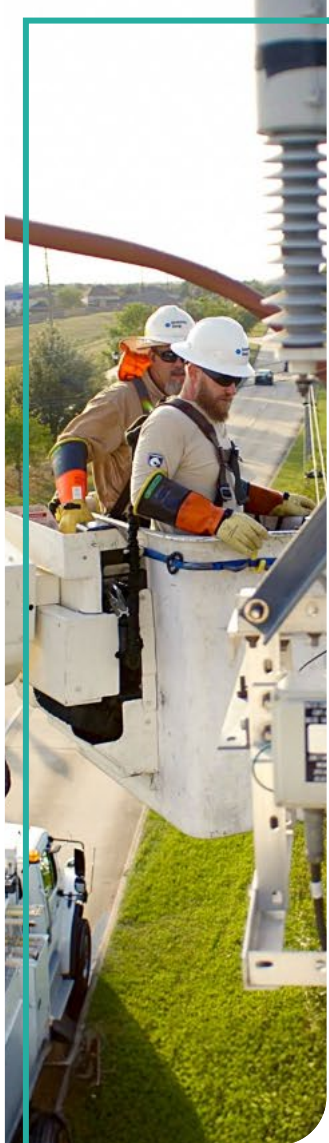
**QUESTIONS,  
INPUT OR  
COMMENTS?**

**INPUT,  
COMMENTS AND  
QUESTIONS?**



[xcelenergy.com](https://www.xcelenergy.com)

- 5. Deeper dive into intersecting programs**
  - d. CenterPoint Energy ECO Programs  
(including regulatory context/timeline)**
  - e. CenterPoint Energy NGIA Plan**



# Program and Regulatory Overview

Q1 EVAC Meeting

This presentation is being provided for informational purposes only and does not purport to be comprehensive. Neither CenterPoint Energy, Inc., together with its subsidiaries and affiliates (the “Company”), nor its employees or representatives, make any representation or warranty (express or implied) relating to this information. By reviewing this presentation, you agree that the Company will not have any liability related to this information or any omissions or misstatements contained herein. You are encouraged to perform your own independent evaluation and analysis.

# CenterPoint's Energy Efficiency Programs

## Overview of Programs



# What is energy efficiency?

MN statute defines energy efficiency as measures or programs that:

Target customer behavior, equipment, processes, or devices

Are designed to reduce the consumption of electricity or natural gas

Do not reduce the quality or level of service provided.

MN Statutes §216B.2402, subd. 7

## Efficient fuel-switching and load management

- The **Energy Conservation and Optimization (ECO) Act of 2021** modernized MN's energy efficiency programming and established a regulatory framework for natural gas utilities to propose **efficient fuel-switching (EFS)** and **load management** programs if certain requirements are met. Examples include:
  - Rebates for hybrid electric/gas heating systems.
  - Load management program to change the timing of a customer's energy use and reduce peak demand for gas.

MN Statutes §216B.241, subd. 12 and 13

# CenterPoint's energy efficiency programs



**Serve residential, income-qualified, and business customers.**



**Help our customers save energy and money.**

## Residential programs

- Rebates for existing homes and new construction
  - E.g., Heating and water heating systems, air sealing and insulation, thermostats, laundry, fireplaces
- Home energy assessments, insulation quotes, and advisory services
- Direct install and DIY measures
  - E.g., Faucet aerators, showerheads, window film, pipe insulation
- Programs for income-qualified customers



## Residential programs (continued)



- EZ Pay On-Bill Loan
- Home Energy Reports and School Kits
- Codes advancement
- Efficient Technology Accelerator initiatives. For example:
  - Air source heat pumps
  - High performance windows

## Recent residential program changes



Updated rebate levels for **furnaces** and **ducted air source heat pumps**



**NEW** rebates for **ENERGY STAR® version 7 windows** and **low-e storm windows**

## Business customers

- Rebates for heating, water heating, and foodservice equipment
- Custom and engineering assistance rebates
- Training and education, including Building Operator Certification
- Site-specific energy analysis and technical advice
- Multi-Family Building Efficiency program
- Benchmarking and certification assistance



## New Normal Campaign—Overview

- Part of the Clean Energy Partnership work plan 2022-2024.
- The “new normal” use of commercial buildings since the COVID-19 pandemic led CenterPoint Energy and the City of Minneapolis to develop the **New Normal Campaign**.
- Campaign designed to address issues facing properties, such as how building occupancy and operations have changed since the pandemic. (Many buildings’ focus was on mitigating health risks, often at the expense of energy efficient operations.)
- CenterPoint Energy and the City of Minneapolis developed the New Normal Campaign to ensure buildings operate as efficiently as possible under their post pandemic conditions.

## New Normal Campaign—Continued

- As of Q3 2025, Campaign savings were 235,534.4 dekatherms.
- This is 275% of the 85,000 dekatherm goal.
- Cumulative rebates paid are over \$900,900.

# Participating in the Regulatory Process

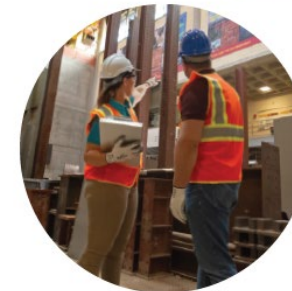
Public Comments and Filing Timeline



# State policy

- Gas investor-owned utilities (IOUs) have a requirement to file energy efficiency plans with the MN Department of Commerce (DOC).
- Annual energy savings goals must be at least **1% of gas sales**.

## 2024-2026 Energy Conservation and Optimization Triennial Plan

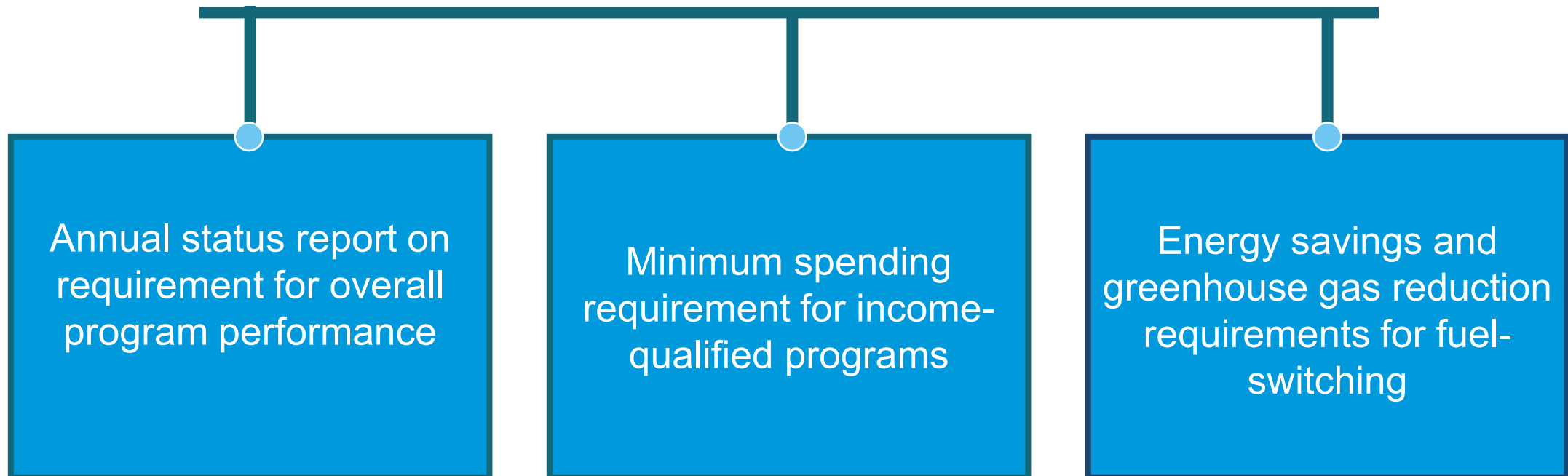


January 26, 2024  
Docket No. G-008/CIP-23-95

CenterPoint  
Energy

# State policy (continued)

State lawmakers and regulators set additional program and reporting requirements, such as:



## State policy (continued)

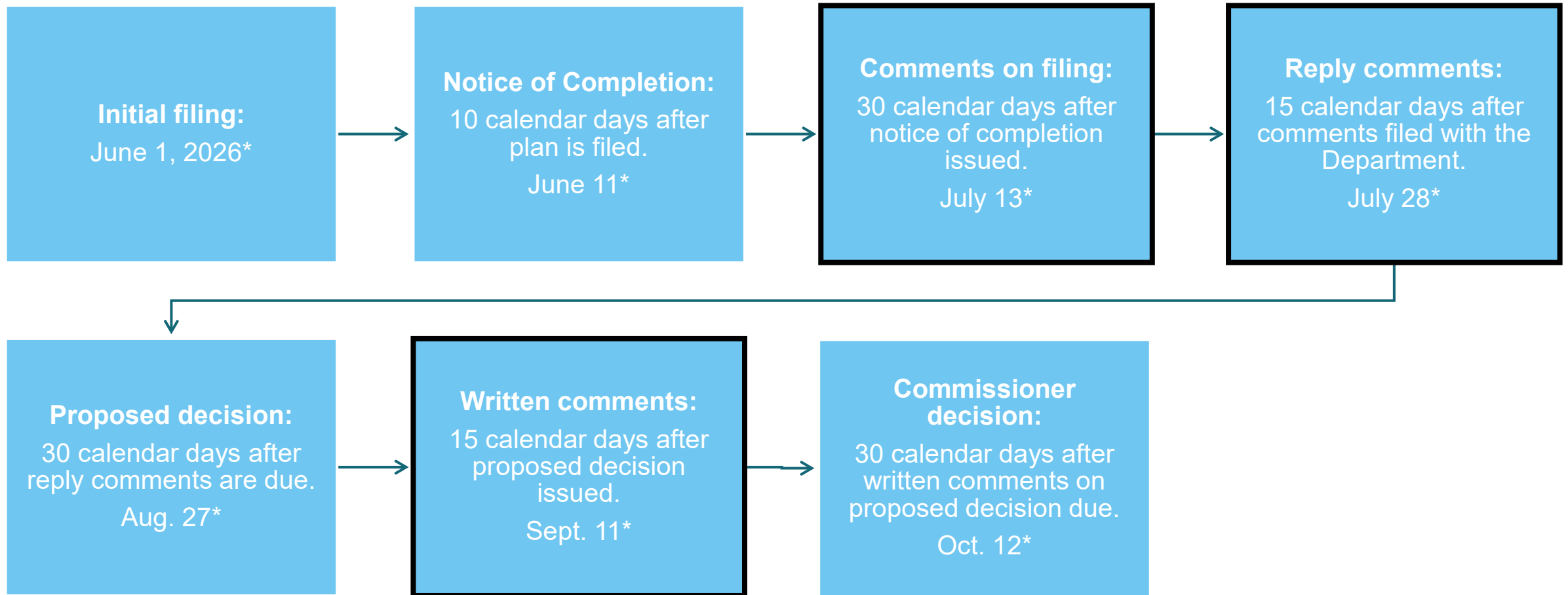
### **Investor-Owned Utility efficiency programs are:**

- **Funded by customers**
- **Regulated by the MN DOC**

### **The MN Public Utilities Commission oversees:**

- **Customer rates**
- **Utility performance incentives  
for meeting energy efficiency  
goals cost-effectively**

# Proposed filing timeline and process



\*The default timeline is subject to change as approved by the Department of Commerce.

# Triennial Plan includes program goals and policies

- **Feedback that can generally be incorporated into the plan:**
  - New programs and services
  - New energy efficiency measures
  - Updates to program eligibility



# More opportunities to provide feedback

- **The triennial planning & regulatory processes are not the only opportunities to provide input on CenterPoint's programs.**
  - Modifications can be filed during the triennial.
- **Changes can take time:**
  - **Regulatory process:** Up to ~3 months
    - **Planning Larger changes:** Up to ~15 months of planning
    - **Planning Smaller changes:** Up to ~6 months



# Intersecting Programs and Services

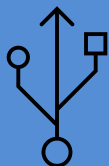
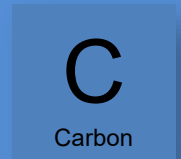
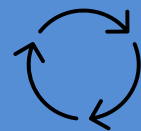
**Natural Gas Innovation Act**

**Energy Assistance & Weatherization Assistance Program**

**Inflation Reduction Act Rebates**



# CenterPoint's NGIA innovation plan

| Renewable Natural Gas (RNG)                                                       | Power-to-Hydrogen                                                                 | Strategic Electrification                                                           | District Energy                                                                     | Carbon Capture                                                                      | Energy Efficiency                                                                   |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|  |  |  |  |  |  |
| RNG Produced from Metro Area Counties' Organic Waste                              | Green Hydrogen Blending                                                           | Industrial, Commercial and Residential Heat Pumps                                   | New Networked Geothermal                                                            | Urban Tree Carbon Offsets                                                           | GHG Audits (Small/Medium Business and Industrial)                                   |
| Request for Proposals                                                             | Industrial or Large Commercial Hydrogen Incentives                                |                                                                                     | Decarbonizing Existing Systems                                                      | Carbon Capture Incentives                                                           | Deep Energy Retrofits                                                               |
|                                                                                   |                                                                                   |                                                                                     |                                                                                     | Methane Leak Reduction                                                              |                                                                                     |

# Our plan's expected value to our Minnesota customers



**Reduces 1.1 million metric tons of CO<sub>2</sub>e** over the lifetime of the proposed projects



Invests in **made-in-Minnesota** and **regionally-sourced** low- and zero-carbon resources



Reuses and **reduces waste**



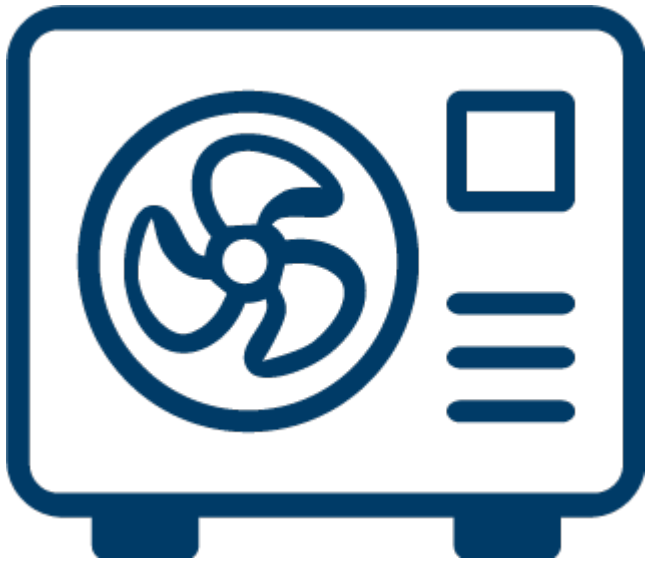
**Advances emerging technologies** for long-term emissions reductions

# Our networked geothermal pilot project overview

- **Company-owned network geothermal system**
- **Anticipated development timeline:**
  - Site selection and feasibility study – filed with PUC on June 1
  - Detailed design and engineering: 2026 – 2027
  - Construction: 2027 – 2028
  - In-service: 2028 – 2029



## Commercial hybrid heating



- Pilot limited to 135 systems
- Electric heat pump system with supplemental natural gas to reduce overall energy use and maintain efficiency
- Rebates of up to 40% of material and equipment costs
- Initial projects are currently under development

## Non-CenterPoint Energy Programs

- Energy Assistance
- Weatherization Assistance Program (WAP)
- Inflation Reduction Act (IRA) Rebates



## 6. Prospect Park Project (Mary Britton)



Mary K. Britton

## "25% by '25" Initiative

Prospect Park Neighborhood, Minneapolis

Proposal for EVAC

March 16<sup>th</sup>, 2026

# Who are we and what was 25% by '25?

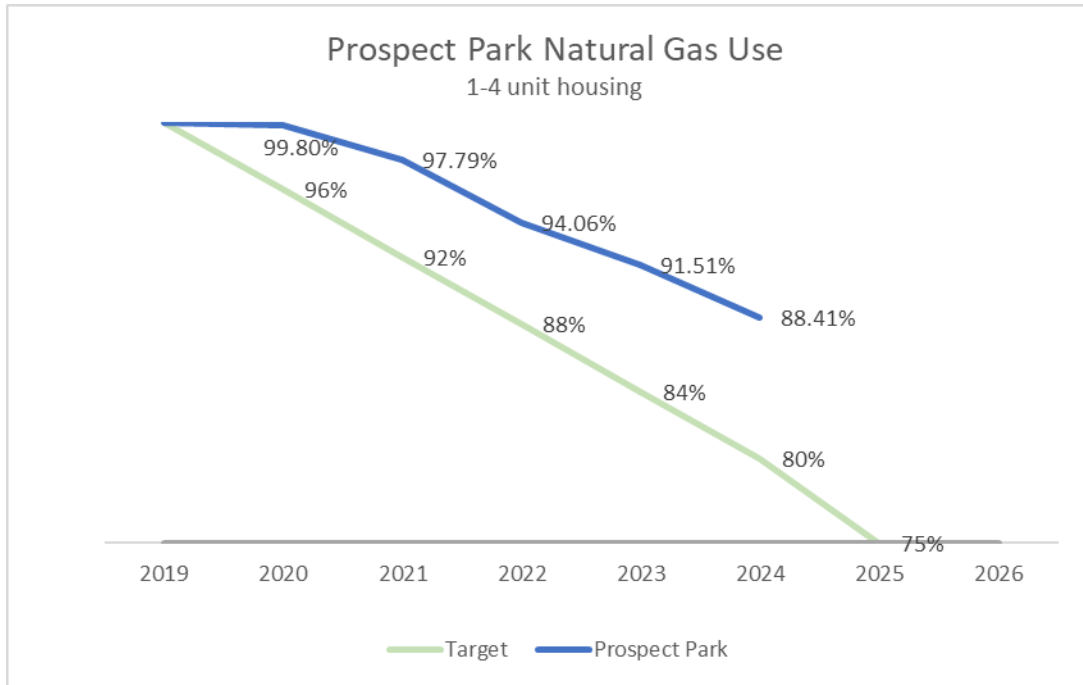


**In 2019, the Prospect Park Environmental Committee set a goal of bringing residential natural gas use down by 25% by the end of 2025.**

While we didn't make our goal, the results were still notable, and more importantly, we have developed a replicable, scalable process that can be adapted to meet each neighborhood's unique needs.



# Our Results... So Far



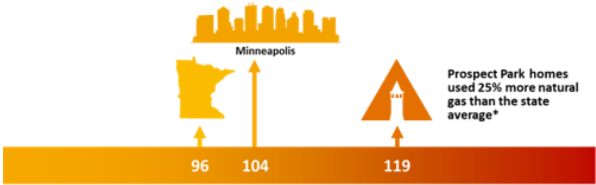
**As of the end of 2024, we are down 11.6%, potentially hitting 15% by the end of 2025.**

- Equivalent of over **102 houses** being completely off natural gas
- In 2024 alone, **reduced CO2 by 706 tons**
- Equivalent of **108 gas burning cars** being retired forever.

# How Did We Do It?

Began with calling out the problem and the goal:

**Prospect Park is Above Average**  
**– And Not in a Good Way**



Minneapolis  
Prospect Park homes used 25% more natural gas than the state average\*

96 104 119

**NATURAL GAS USAGE — 2019 AVERAGE**  
(in dekatherms, \*1–4 unit buildings only, data from CenterPoint Energy)

The average house in Prospect Park produces almost 25% more greenhouse gases than the state average.

We are asking folks to help minimize our community's impact on the environment by improving our homes' energy efficiency. Benefits:

- Save money and increase the value of your home
- Protect you and your family against extremes in temperature
- Give the planet some relief

**2021 goal → 100 new energy audits in the neighborhood**  
**2025 goal → 25% reduction in residential natural gas usage and CO2 emissions**  
(“25% by '25”)

Please join us on **Saturday, February 13<sup>th</sup> at 10 am** for a virtual presentation by the Minnesota Center for Energy and the Environment (MNC EE) on how to improve your home's insulation and energy efficiency.

Register at [prospectparkmpls.org/ppa/committees/environment.html](https://prospectparkmpls.org/ppa/committees/environment.html)

Sincerely,



PPA Environment Committee  
Mary Britton – Chair  
[environment@prospectparkmpls.org](mailto:environment@prospectparkmpls.org)

**2021 goal → 100 new energy audits in the neighborhood**

**2025 goal → 25% reduction in residential natural gas usage and CO2 emissions**  
(“25% by '25”)

## Communication:

- In 2021, the PPA Environment Committee hired teenagers from the neighborhood to help us distribute fliers door to door.
- Other methods included neighborhood email list, NextDoor, Facebook and tabling.

# Our Campaign:



- 10-minute presentations given to neighborhood committees and garden club
- Partnered with SE Seniors and MNCEE on workshops
- Consistent communication, year after year

- Heavily promoted Home Energy Audits from MNCEE
- Provided recent examples of MNCEE Energy Fitness reports to interested residents



# Communication:

**Easy Steps to 25% less by 2025**  
(Repeat every 6 months and share your progress at #WeAreProspectPark)

Had an energy audit in the past 3 years?

Yes ☐ No ☐

Up for one right now?

Yes ☐ No ☐

**Helpful sites:**  
[MINCEE.org/solutions/home](http://MINCEE.org/solutions/home)  
[CenterPointEnergy.com/insulation-rebates](http://CenterPointEnergy.com/insulation-rebates)  
[CenterPointEnergy.com/solutions](http://CenterPointEnergy.com/solutions)  
[prospectparkmpls.org/park](http://prospectparkmpls.org/park)  
 - information on classes, programs, and more

**Form 5695 Residential Energy Credits**  
 Department of the Treasury  
 Internal Revenue Service  
 Name(s) shown on return

OMB No. 1545-0074  
**2025**  
 Attachment Sequence No. 75  
 Your social security number

**Part I Residential**  
**Note:** Skip lines 1 thru 6a if you checked "No" on line 1.

Enter the complete address for more than one home

Number and street

1 Qualified solar electric system

2 Qualified solar water heating system

3 Qualified small wind energy system

4 Qualified geothermal heat pump system, fireplaces, and other equipment

5a Qualified battery storage system with at least 3 kilowatt for qualified battery storage system

b If you checked "Yes" on line 5a, enter the number of kilowatt for qualified battery storage system

6a Add lines 1 through 5b

**Return On Investment - Wall Insulation**

■ \$300/yr ■ \$300/yr

| Years | Net Cost (\$) |
|-------|---------------|
| 0     | -3,500        |
| 12.5  | 0             |
| 29    | 5,000         |

- Called out low and no-cost options, as well as the need for insulation
- Ensured that folks were made aware of Federal Energy Credits
- Called out Return on Investment for Insulation (23% of Minneapolis houses do not have wall insulation)

We Didn't  
Hit Our  
Goal...But  
We  
Succeeded:

- 1) We have shown proof of concept.
- 2) We have developed a replicable, scalable process that can be adapted to meet each neighborhood's unique needs.
- 3) We identified what motivates different people and adjusted our message accordingly.



# Opportunity:

- The City of Minneapolis has already laid the groundwork with the Clean Energy Partnership and home energy audits being required as part of Truth In Sale of Housing (TISH).
- There are 70 Neighborhood Associations with their own methods of communication and outreach.
- Strong sense of community, especially now.
- Neighbors can help neighbors become more financially secure and resilient in the face of climate change.
- Wealthier neighborhoods produce more CO2 but are not likely aware of it. People who can afford it can pay for their own home upgrades to cut emissions.



# Proposal: Partner with Neighborhoods

## Associations provide:

**Communication** - emails, NextDoor, Facebook, tabling and door to door fliers

**Representation/Attendance** at Training and Workshops

**Minimum of a 3 Year Commitment**



## City provides:

**Funding:** \$1,000 per year for fliers, insulation kits, etc. administered by the neighborhood (no video production)

**Central communications** that neighborhood committee can forward out (examples: Information on free energy audits, rebates, progress of neighborhood etc.)

**Virtual workshop** once a year for each Minneapolis communities.

**Orientation** - Training on how to get started (asset mapping, communication building, etc.)

**Tracking of progress** by neighborhood.