

Minneapolis Clean Energy Partnership

2015-2016 Potential Work Plan Items



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Introduction to Potential Work Plan Items

The City of Minneapolis, Xcel Energy and CenterPoint Energy have been partnering for decades on energy-related initiatives. However, the Minneapolis Clean Energy Partnership (CEP) is a new approach that partners the City of Minneapolis in a unique way with Xcel Energy and CenterPoint Energy, its electric and gas utilities, to help the City reach its Climate Action goals and Energy Vision for 2040 goals. The CEP is a collaborative leadership framework through which the City and utilities will study, prioritize, plan, coordinate, implement, market, track, and report progress on clean energy activities in the city.

The Clean Energy Partnership is led by a joint City/Utility Board that will review and approve on going two-year work plans focused on helping the City achieve its energy goals. The work plans are designed to leverage statewide policies, city municipal regulatory authority, community relationships, and utility expertise and programs to increase the penetration rate of energy efficiency and renewable energy as well as education and focus on reliability and equity of energy services in Minneapolis. The CEP Board will also collect community feedback on work plans through the Energy Vision Advisory Committee (EVAC).

This document was developed by the CEP Planning Team as a starting point for discussions about the 2015-2016 Work Plan. The concepts and initiatives identified in this document will change based on the discussion and feedback from city and utility staff, EVAC and the CEP Board.

Many of the ideas presented in this document are based on the Clean Energy Partnership Memorandum of Understanding (MOU) signed by the three partners in the fall of 2014. Some ideas also originate from the Minneapolis Energy Pathways Study, completed in February of 2014. That study identified programs and policies that could be most appropriate for consideration in the CEP, and drive progress towards City and utility goals. Additional ideas are the result of extensive discussions between the partners, based on known issues and emerging topics.

Measuring Progress

This document contains a number of ideas for potential programs, concepts and initiatives that the Clean Energy Partnership could work to advance in the 2015-2016 time period. To understand how effective these initiatives may be at meeting City and utility goals, the Partnership will need to adopt a set of performance metrics to track progress. Potential metrics may include:

- Greenhouse gas emissions from citywide activities

- Greenhouse gas emissions from municipal operations
- Participation in energy efficiency and renewable energy programs
- Utility rebates for customer energy efficiency and renewable energy Dollars or units of energy saved
- People reached through nontraditional utility communications channels

To effectively measure progress towards City goals, some metrics may need to be broken down to geographic areas smaller than the city as a whole, such as census block groups or neighborhood boundaries. This is to enable the partners and the public to understand whether the impact of CEP initiatives differs across Minneapolis communities, and to plan approaches which work equitably.

Process for Completing the 2015-2016 Work Plan

The CEP Board will determine the process for completing the Work Plan, and will approve any contents. It is anticipated that the Board will ask EVAC to review the list of potential Work Plan items and provide recommendations on any changes before approving a final Work Plan.

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Community Initiatives

Community Solar Gardens

The Partnership may explore a number of options for encouraging participation in Community Solar Gardens (CSGs) by Minneapolis customers. These could include City government participating as a customer of one or more CSGs for City-purchased electricity, providing information and training to neighborhoods and communities about participating in CSGs, developing a “one-stop” location for information on CSGs available to Minneapolis customers, or expanded outreach to customers to drive participation.

Xcel Energy customers can subscribe to solar gardens – solar panel arrays constructed by third-party developers at centralized locations – and receive credits on their electricity bills for their portion of energy produced. The program is called Solar*Rewards Community and is designed for customers who cannot participate in other solar programs because they rent, live in multi-family dwellings, their homes or businesses are not suitable for solar installations, or rooftop solar installations are not right for them for other reasons.

Xcel Energy's Solar*Rewards® Community® program launched on 12/12/2014.

Energy Usage and Program Participation Data Access

The City and the utilities will work together to understand energy usage and program participation information at smaller geographic level than city-wide. The City may be able to produce reports for use by neighborhoods and community initiatives, such as energy savings competitions. Energy usage and program participation data will be used to establish metrics to gauge the success of CEP activities.

The (MPUC) is currently reviewing how utilities can manage the aggregation and dissemination of community and building level data. Depending on their decision, more data may be available from utilities on energy usage and energy efficiency program participation in Minneapolis. This information can help identify high energy usage areas to target for energy efficiency outreach and education as well give perspective on what type of energy efficiency programs residents and businesses are currently participating in.

Large Commercial Buildings Energy Efficiency

Information gained through the City's Commercial Building Benchmarking & Transparency ordinance, combined with utility program data and utility expertise, will be leveraged to enhance outreach to large commercial buildings and drive energy efficiency improvements. The City and utilities may work on developing targeted marketing approaches, new data access tools for building owners/managers, educational efforts and enhanced utility energy efficiency programs.

Multi-Family Energy Efficiency

There is much interest in programs that reach the multi-family sector. As a result, CenterPoint Energy and Xcel Energy are collaborating to develop a jointly-delivered energy efficiency program dedicated to multifamily buildings. The program will draw on national best practices to encourage building owners to invest in energy-saving measures in both resident and common spaces.

The program is expected to be filed with regulators in early 2015 and pending approval, begin implementation later that year.

The CEP will work collaboratively for regulatory approval of the program and explore targeted outreach and marketing opportunities to engage Minneapolis customers. The CEP may also explore expanding or existing financing options for program participants to further reduce barriers to implementation of efficiency measures.

Residential Energy Efficiency

The CEP will leverage the availability of an expanded residential energy efficiency program and explore targeted outreach and marketing opportunities to engage Minneapolis customers. The CEP may also explore expanding or existing financing options for program participants to further reduce barriers to implementation of efficiency measures.

CenterPoint Energy has proposed a pilot program called the *Residential Engagement Pilot* in the City of Minneapolis to test the effectiveness of enhanced natural gas engagement strategies intended to increase the number of residential customers (in 1-4 unit properties) that follow up on and install recommendations made at home visits.

The Pilot has been approved by the Department of Commerce; Division of Energy Resources and launch is scheduled for February of 2015.

Energy Efficiency Financing

The CEP could engage in work including enhanced marketing of existing financing options available through private lenders and public lenders. The CEP may also explore other innovative models for delivering financing options with low barriers to participation.

CenterPoint Energy is developing a tool that will provide customers the opportunity to finance energy efficiency upgrades and repay the loans via their utility bills. Capital would be provided by one or more third-party lending partners and the utility would service the loan. Customers benefit by the enhanced convenience.

Prior to implementation, the company's IT systems must be upgraded and capital partners identified and secured. Funding for the IT upgrades would require regulatory approval.

CenterPoint Energy currently expects to request approval for the system upgrades in their 2017-2019 CIP Triennial Plan filing.

Partners in Energy

Partners in Energy is a new offering from Xcel Energy to support the development and implementation of energy action plans at the local level. Although the objectives will reflect the unique needs of the community, Xcel Energy anticipates that by working with communities the planning process they will be better able to match their services and offerings to customer needs and inform the marketplace about existing programs and resources that can support their plans. The intent is to provide a unique custom package of Xcel Energy's current services and offerings, identify third party resources, and leverage local distribution channels, to meet community objectives.

The Midtown Community Works Corridor in Minneapolis is the first participant in Partners in Energy in Minnesota and is serving as a testing ground for concept. Feedback from this community and others that participate will be used to improve the Partners in Energy offering, and support identification of potential future resources to aid in the development and delivery of community based energy plans. Future concept development may be directed by the CEP.

Expanded Community Engagement for Partnership Initiatives

The CEP will explore expanded engagement strategies to drive participation in utility and City energy efficiency and renewable energy programs such as the multifamily energy efficiency program, Home Energy Squad, Solar*Rewards® Community®, financing tools and others. Strategies could include engaging community-based organizations to conduct outreach, developing a citywide challenge or other innovative approaches to engage Minneapolis residents and businesses in pursuing the goals of the CEP.

Customer Resources Webtool

The CEP will explore the development of a comprehensive webtool to help Minneapolis customers easily navigate the resources available to them. These resources could include energy efficiency or renewable energy programs. The webtool could work as a resource for any expanded community engagement initiative.

City Enterprise Initiatives

City Participation in Community Solar Gardens

Xcel Energy customers can subscribe to solar gardens – solar panel arrays constructed by third-party developers at centralized locations – and receive credits on their electricity bills for their portion of energy produced.

The City will explore the possibility for direct participation in one or more community solar gardens, for example as a subscriber. The Energy Vision Advisory Committee, Partnership Board or Planning Team can provide valuable input on the City's potential role or the design of the RFP.

Discussion of Infrastructure Planning and Economic Development

The City, CenterPoint Energy and Xcel Energy will engage in periodic discussions regarding planned utility and city infrastructure changes to create efficiencies and maximize opportunities for infrastructure enhancements and economic development.

LED Streetlighting

The CEP will review the City's plans for retrofit of its streetlights, and explore options for the retrofit of Xcel-owned lights.

Xcel Energy now offers energy efficiency for customer-owned street-lights. The City owns approximately half of the lights within city limits and currently is developing plans to replace the existing bulbs with high efficiency and low maintenance LED bulbs. Concurrently, Xcel Energy is developing a strategic system wide plan to replace their existing fixtures with LED's.

Natural Gas Infrastructure for City fleet

Investments in new natural gas infrastructure could help create opportunities to reduce emissions. For example, with adequate fueling infrastructure, natural gas vehicles could help achieve reductions in both greenhouse gas and criteria pollutant emissions. Anaerobic digestion of city-collected organic waste could provide a renewable fuel source for vehicles and/or buildings or facilities.

The City and CenterPoint Energy will use the CEP to explore options for new infrastructure to serve city facilities or fleet.