Energy Vision Advisory Committee
Q4 Meeting
November 10, 2015
Introduction to the new Multifamily Energy Efficiency Program
Comprehensive Multi-Family Offerings

Multi-Family

Existing Buildings
- Multi-Family Building Efficiency Program
- Prescriptive Rebate Programs

New Construction
- Energy Design Assistance
How Utility CIP Programs Work

• Conservation Improvement Programs (CIP)
  – Next Generation Energy Act of 2007 established energy savings goals for all natural gas and electric utilities that operate in the State of MN (these have been in existence in some form since 1980)
  – Overseen by MN Department of Commerce – Division of Energy Resources (DER) to ensure:
    1. Ratepayer dollars are used effectively
    2. Energy savings are reported accurately
  – Energy savings goal of 1.5% of average retail sales for both electric and natural gas sales
  – Program budgets and energy savings are reported annually
ACEEE Best Practices

1. Provide a one-stop shop for program services
2. Integrate direct installation and rebate programs
3. Streamline rebates and incentivize in-unit measures to overcome split incentives
4. Coordinate or integrate programs across electric, gas, and water utilities
5. Encourage deeper retrofits with escalating incentives for greater savings levels
6. Serve both low-income and market-rate multifamily households
7. Combine utility-customer-funded programs with public funding available at time of affordable housing refinance
8. Partner with the local multifamily housing industry to market programs
9. Offer multiple pathways for participation to reach more buildings

Program Focus

- Aimed at building owners, who have authority and capital to make decision to invest in deep efficiency projects

- Based on project structure, we expect a number of improvements to directly benefit building owners and residents (both in direct-install and performance phases)

- Outreach to residents for participation minimal due to whole building approach, but we do encourage the residents to let their building owners know about the program.

- Educational materials on energy and efficiency will be provided to residents
Program Design

Escalating Incentive Structure:

<table>
<thead>
<tr>
<th>Achievement Level</th>
<th>Whole-Building Energy Savings Achieved</th>
<th>Incentive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>15%</td>
<td>25% of cost</td>
</tr>
<tr>
<td>Tier 2</td>
<td>20%</td>
<td>35% of cost</td>
</tr>
<tr>
<td>Tier 3</td>
<td>25%</td>
<td>40% of cost</td>
</tr>
</tbody>
</table>

Buildings meeting MN DOC criteria to qualify as low-income will be eligible for double the above incentives.
Multi-Family Building Efficiency Program Basics

• Joint Utility Program Offering
  – One program to customers – from two utilities
  – Targets existing multifamily buildings only
  – Must have Xcel Energy electric service and CenterPoint Energy or Xcel Energy gas service to participate

• One-Stop Shop
  – Single point of contact, provided by third-party implementer
  – Implementer will deliver direct install and act as a customer representative
  – Will not be general contractor for larger projects – will help customers get larger work contracted out and bid
Multi-Family Building Efficiency Program Basics

• Whole-Building Audit with Direct Install
  – Provided by implementer
  – Includes direct install of low cost measures
  – No cost to owners for direct install
  – No cost to owners for audit

• Performance-Based Incentives
  – Rebate level based on whole-building energy savings achieved
  – Rebate levels increase when higher savings levels achieved
  – Includes direct-install component towards total building savings
Outreach Strategy

• Program Informational Sheet
• Minnesota Multi Housing Association-Advocate Magazine ad
• Minnesota Multi Housing Association
  – Fall Convention-October 2015
• Minnesota Housing Finance Agency-coordination of processes and collaboration
• Minnesota Multifamily Affordable Housing Energy Network (MMAHEN) Advisory Group members
• 2016 Marketing Plan started
Multi-Family Building Efficiency Program

Contact us at: 844-545-7455

CenterPointEnergy.com/MultiFamilyBuildingEfficiency
or
xcelenergy.com/Multifamily
Thank You
Energy Vision Advisory Committee - Clean Energy Partnership

Summary Metrics Recommendation

November 2015
Two Types of Metrics.

Primary Metrics:
Measures that correlate directly to the state goals of the Minneapolis Climate Action Plan goals and strategies

Effectiveness Measures:
Measures tracking program efficacy and impact related to work plan items
Climate Action Plan Goals & Strategies

1. Reduce GHG emissions 30% by 2025 (from 2006 levels)
2. Increase efficiency of commercial buildings 20% from growth baseline by 2025
3. Increase efficiency of residential buildings 15% from growth baseline by 2025
4. Increase local or directly purchased renewable energy to 10% of total by 2025
5. Help 75% of homeowners participate in whole house energy efficiency retrofit programs by 2025 (with equitable distribution)
6. Help 75% of 5+ unit buildings participate in multi-family EE program by 2025 (with equitable distribution)
Additional Goal.

Working group recommends the addition of the following language to the existing goals:

“eliminating disparities by income and race”
CEP Proposed Metrics

1. Citywide GHG emissions
2. Commercial building energy use
3. Residential building energy use
4. Local or directly purchase renewable energy
5. Home Energy Squad visits
6. Low-income visits
7. Air sealing/insulation (ASI)
8. Multi-family program participation
Additional Metrics

1. Employment and workforce training
2. Woman and Minority Business Participation
3. Economic activity related to EE spending
4. Total city wide greenhouse gas emissions by activity in alignment with the city inventory (roads, solid waste, etc.)
Geography
The primary geographic breakdown for metrics will be census tracts and citywide. Additional neighborhood level and building level data will also be used as appropriate for program tracking.

Engagement Tracking
The group also recommends the tracking of engagement efforts separately and in addition to the metrics adopted by the Clean Energy Partnership Board. All program engagement should include clear outcome measures specific to program goals and outcomes.
Home Energy Squad and Retrofit Loans: Update on Progress
Income-qualified HES visits by month

- **Sep**: Owner-occupied (10), Renter-occupied (2)
- **Oct**: Owner-occupied (15), Renter-occupied (3)
- **Nov**: Owner-occupied (40), Renter-occupied (17)
- **Dec**: Owner-occupied (50), Renter-occupied (5)

Legend:
- Red: Owner-occupied
- Blue: Renter-occupied
• 133 total visits since outreach began in September

• Only count of visits supported by City funds for low-income buy-down

• Income-qualified: Up to 300% of poverty, depends on household size
Zero interest insulation and air-sealing loans

• Only for insulation or air-sealing, after Home Energy Squad visit

• **17 loans** closed or pending to-date (more in process)

• Average loan value of **$4,500**
Engagement channels used to-date

- Utility bill inserts started going out in September, continued through the month
- Social media
- Community events (Open Streets)
- Council newsletters
- City email lists
- Council-member event
- CEE communications & events
- Community based organizations (e.g., Emerge, Urban HomeWorks, etc.) and energy assistance service providers (Community Action Partnership of Hennepin County, Minneapolis Urban League, Sabathani, Waite House)
- Housing inspectors (Regulatory Services)