

**Minneapolis Clean Energy Partnership**  
**CEP BOARD MEETING**  
Doty Board Room, Minneapolis Central Library  
Thursday, January 26, 2017  
10:00 a.m. – Noon

**2017 Q1 Meeting Notes**

**Board members present:** Mayor Betsy Hodges, Council Vice President Elizabeth Glidden, Council Member Kevin Reich, Spencer Cronk, Adam Pyles and Todd Berreman (sitting in for Brad Tutunjian) from CenterPoint Energy, Laura McCarten and Lee Gabler from Xcel Energy

**Board members excused:** Brad Tutunjian from CenterPoint Energy

**Guests:** Council Member Cam Gordon, Louis Alemayehu, Timothy DenHerder-Thomas, Abby Finis, Eric Immler, Sarah Jordan, Matt Kazinka, Alice Madden, Marcus Mills, Patty O’Keefe, Mark Ruff, Lee Samelson, Billy Weber

**Planning Team present:** Sara Barrow, Bridget Dockter, Peter Ebnet, Ben Hecker, Luke Hollenkamp, Nick Mark, Louis Mondale, Audrey Partridge, Gayle Prest, Brady Steigauf, Al Swintek

**1. Welcome and Introductions**

Mayor Betsy Hodges called the meeting to order at 10:13 p.m. Mayor Hodges invited Clean Energy Partnership (CEP) Board Members and guests to introduce themselves.

Mayor Hodges welcomed new Board Member Adam Pyles and invited him to say a few words. Adam said he was able to attend and observe the 2016 Q4 meeting. He is the new Director of Regulatory Affairs at CenterPoint Energy responsible for regulatory and legislative activities. He also introduced Todd Berreman, Director of Energy Efficiency, who is responsible for implementation of CenterPoint Energy’s CIP Programs. Todd is taking the place of Doug Peterson as CenterPoint Energy’s alternate member; Doug has moved on to a new position in the company.

**2. Review and Approve Agenda and Minutes**

Mayor Hodges asked for a motion to approve the agenda. It was **MOVED** and **SECONDED** that the agenda be approved. Motion **CARRIED**. Mayor Hodges asked for a motion to approve the minutes from the 2016 Q4 CEP Board Meeting, with the addition of two online votes: EVAC Co-Chair Abby Finis approved on December 22, 2016; and Community Engagement Pilot Project increase in funding and two awards approved on January 12, 2017. It was **MOVED** and **SECONDED** that the minutes be approved. Motion **CARRIED**.

**3. Board Elections for 2017**

Mayor Hodges asked for nominations for 2017 Board Chair and Vice Chair. Council Vice President Glidden, acknowledging that Laura McCarten was not asking to be re-nominated as Vice Chair, offered her thanks to Xcel Energy for taking on a significant leadership role for the

beginning of this Partnership and a thank you to Laura for her work as Vice Chair. It was MOVED and SECONDED that Mayor Hodges be nominated to continue in her role as Chair. It was also MOVED and SECONDED that Adam Pyles on behalf of CenterPoint Energy be nominated to serve as Vice Chair. Both parties accepted their nominations. Mayor Hodges added that it has been an honor to be involved in the CEP work and it will go down as one of the prides of her time in public service to be part of this group. Motion CARRIED. Following the vote, Mayor Hodges thanked Laura for her leadership and partnership in this work.

**4. 2017-2018 Work Plan Review** [Note: The page numbers in parentheses on the PPT slides refer to the corresponding pages in the Work Plan.]

*Development (p. 6)*

Bridget Dockter presented a side-by-side comparison of the Work Plan Development Process for 2015-2016 and 2017-2018 to show how the Plans differed in their formation. In the 2015-2016 Work Plan goals were pulled from the Climate Action Plan (CAP) and Energy Vision 2040, vetted and prioritized by EVAC, but time was critical and there was minimal time allowed for an extensive planning process by EVAC. For the 2017-2018 Work Plan, EVAC wanted to be more engaged and involved in the process. They requested a more active role and the help of an outside facilitator. They held three segment-specific working meetings to further develop the ideas and concepts revolving around Residential, Commercial, and City Enterprise. Their recommendations were provided to the Planning Team, and where there was consensus among EVAC, the Planning Team, and pre-discussions with CEP Board members, those recommendations were integrated into the Work Plan being presented today. Bridget noted that the appendices in the back of the Work Plan include the complete and direct recommendations list from EVAC as well as the survey results that informed their recommendations.

The Planning Team worked with EVAC to hire the facilitator, getting recommendations of who that should be, and helped them organize the segment-specific meetings. Weekly meetings were held in December and January to review the EVAC recommendations, searching for areas of opportunity and consensus between the Partners. Planning Team staff engaged with Board Members at multiple stages to determine priorities, vision, and critical activities. Prior to finalizing the proposal the Planning Team met with EVAC leadership to ensure that EVAC was aware of the recommended Work Plan that was being presented to the Board today.

Bridget reiterated that the goals of CEP are to increase energy efficiency and renewable energy and develop strong city-utility collaboration while advancing equity and other environmental benefits. Strategies for doing that include community and stakeholder engagement through data and information along with policy levers. These strategies are being addressed in the proposed Work Plan. The segments, which remain consistent with those contained in the 2015-2016 Work Plan and are also consistent with the utility Conservation Improvement Program (CIP) plans that are regulated by the State of Minnesota, are: 1-4 Unit Residential, Multi-Family, Small Commercial, Large Commercial, and City Enterprise.

*Best Practices for Partnership (p. 8)*

Luke Hollenkamp referred to a new section of the Work Plan titled “Best Practices for Partnership”. He thanked EVAC for the thought they put into developing ways the Partnership

can best work together, i.e. the Board, EVAC, and the Planning Team with each other, and each group among themselves. The best practices are:

- Endeavor to continue to develop and improve collaboration skills through formal trainings and other methods. The three different entities have different governance structures.
- Develop robust communications across all entities in the Partnership, communicating more directly with EVAC members and leadership to create more open avenues.
- Continue to seek out new ways to leverage partner resources to further Partnership goals. EVAC members have a lot of expertise in subject areas and they want to identify and utilize the strengths of each partner.
- Integrate outreach and marketing efforts for relevant partner organization programs and touch points.

#### *Implementation of Work Plan (p. 8)*

Luke said another area that EVAC helped immensely were different ways of implementing the Work Plan. The Work Plan is pretty aggressive and has a lot of activities. To make meaningful strides forward and be very strategic on achieving them, at the substantial onset of each Work Plan activity, whenever possible, the Partnership should strive to:

- Establish a timeline for implementation
- Set measurable outcomes and goals
- Forecast the impact on applicable CAP goals
- Identify roles, responsibilities, strengths, and constraints for relevant City departments and utility partners
- Identify key policy and regulatory levels
- Consider relevant workforce opportunities, including barriers and opportunities for green job creation

#### *EVAC Work Groups (p. 9)*

In the past two years two formal EVAC Work Groups have been created. The longer-running one is the Community Engagement Work Group that developed the Community Engagement Energy Efficiency pilot project which was approved in the online vote. It is now underway with two community organizations that are engaging and looking for the best way to reach traditionally difficult to reach communities. The pilot projects will continue through 2017. The Community Engagement Work Group will report on the results and think about next steps on moving forward with the recommendations.

The more recently created Work Group on Funding was created by EVAC at its Q4 2016 meeting. They recognized that the degree of Partnership success is limited in part by the amount of resources currently available. This group is exploring ways to bring more resources to bear for the Partnership so it can undertake more activities and be more aggressive with its agenda. To that end they are exploring dependable revenue sources and by mid-year will be making recommendations to the Board that identify possible funding sources, expenditures, and any structure that may come out of additional funding.

In the discussion following this part of the presentation, the following points were made:

- Adam Pyles commented that on the implementation of work plans one of the things that struck him was forecasting the impact on applicable CAP goals. As he looked at prioritizing

items in the Work Plan he encouraged CEP to devote some energy to this one because it will be helpful to the utilities in allocating scarce resources.

- Adam also suggested that the utilities may have some information they could provide to the Funding Work Group about what is or might not be possible in terms of traditional utility funding sources.
- CVP Glidden suggested that in order to avoid the three entities doing similar evaluative work on funding options separately, they should work to make sure they are all talking to each other and providing the expertise needed to evaluate funding options. In the end that will be helpful to the recommendations that might come from EVAC. A big one that has been discussed is franchise fees.
- Laura, commenting on franchise fees and building off of Adam's comments on funding as well, said that understanding how the franchise fee works and how it is collected and all of the mechanics of that can be very helpful in that discussion early rather than at the end. She said the utilities would like to be part of that discussion. Luke added that he has been working with the Funding Work Group to provide some of that foundational knowledge, like monetary resources coming to the city annually; expanding that to a larger endeavor of the Partnership might be very valuable.

Audrey Partridge presented on the first four customer segments and the Work Plan items within each segment.

*Residential, 1-4 Unit (p. 10)*

1. Partnership will continue to implement the Community Engagement Pilot Project which is launching now and will continue through 2017 with two different community organizations.
2. CenterPoint Energy will implement the On-Bill Loan Repayment project through CIP, expected to launch in 2018.
3. Xcel Energy will work with CenterPoint Energy following its launch of On-Bill Repayment to assess CenterPoint Energy's success and determine next steps for Xcel Energy.
4. Partnership will continue to identify additional financing options for energy efficiency and renewable energy projects.
5. City will develop a strategy to use its regulatory authority to encourage energy use transparency, which may be done at time of advertising for properties for sale or rent.

*Multi-family, 5+ Units (p. 11)*

6. Partnership will develop and conduct outreach and engagement strategies to drive energy efficiency in multi-family buildings. The outreach strategies will be informed by data, participation mapping, and the expertise of the partner organizations, EVAC, and other stakeholders.
7. City will develop a policy to expand its Building Benchmarking and Transparency Ordinance to include multi-family properties.
8. City will develop a strategy to use the tiered rental licensing structure to encourage energy efficiency in the multi-family sector.
9. Partnership will explore options to develop a city program that will leverage the Multi-Family Building Efficiency program or other similar programs to preserve unsubsidized affordable housing in the city.

10. City will develop a policy to require Sustainable Buildings 2030 Energy Standards for City-financed new and significantly renovated multi-family projects. This item applies to multiple segments like commercial buildings or other properties.

*Small Commercial, less than 50,000 Square Feet (p. 12)*

11. Partnership will continue to monitor progress of the Lake Street corridor in the Partners in Energy program.
12. Partnership will develop and pilot a City-wide small business initiative to encourage energy efficiency. That would be built upon lessons learned from the Partners in Energy program.

*Large Commercial, more than 50,000 Square Feet (p. 13)*

13. CenterPoint Energy will develop a natural gas whole-building data aggregation policy and tool to enable multi-metered buildings to more easily access their building data for the purpose of benchmarking energy consumption.
14. Partnership will use information gained from benchmarking efforts to target the lowest-performing buildings in the City.
15. Partnership will continue educational workshops for specific types of commercial buildings in order to connect them with technical assistance, financing options and other resources to improve their energy efficiency.
16. Partnership will collaborate with other interested parties to support and encourage the State of Minnesota to adopt an addendum to the state energy code that allows cities to adopt higher energy efficiency standards. A key consideration will be to protect CIP in those cities that may adopt those higher standards.

Discussion on the four customer segments:

- Item 3: Xcel Energy is looking forward to seeing the results from CenterPoint Energy's On-Bill Loan Repayment project, but going forward there is a time factor involved that would push any potential action on Xcel Energy's part out of this two-year Work Plan. CVP Glidden responded that from the City's perspective they are disappointed in that, but the bigger question is not necessarily what the right policy initiative for Xcel Energy is right now, but where within the 2017-2018 Work Plan is a piece where Xcel Energy is really taking a leadership perspective and allowing a new policy or program to come to fruition that will help the Partnership achieve its goals.
- Item 5: Adam restated that the utilities are constrained by Public Utilities Commission (PUC) requirements in terms of providing access to customer data and protecting data privacy. They look forward to finding a way to satisfy both goals.
- Item 7: Regarding expanding the ordinance to multi-family residential buildings, Todd asked that the City coordinate with CenterPoint Energy since it does not currently have a benchmarking tool to handle the individually-metered units in multi-family buildings. CVP Glidden replied that when the City worked on the commercial building benchmarking policy they attempted to have a good methodical approach for working with utilities and other stakeholders. She added that it is critical for the City to be able to work with the utilities and make sure it is not putting into policy an expectation that cannot be easily met.
- Item 8: CVP Glidden did not recommend an actual Work Plan language change but suggested that the City "explore" rather than "develop" a strategy to use the tiered rental licensing structure to encourage energy efficiency implementation. The City must connect

with the city attorney and regulatory staff to make sure they know what they are allowed to do for those who hold licenses, and for things they are not allowed to regulate they have another way that involves offering an incentive. Gayle Prest said that preliminary conversations have been held. There are a variety of options but more work is needed. Council Member Reich said that knowing that there's still more mechanical work with the actual regulatory division is important, but there is a practicality within the tier system that certain properties are going to have more staff attention already and that can be leveraged. There are also more leverage points with people who are in Tier 3. It might be an opportunity to have more leverage to get better outcomes with individual property owners.

- Item 10: CM Reich wondered if there were additional benchmarks that could be considered as long as they are consistent with the spirit of what the Partnership is trying to achieve by helping attain goals that would be amenable to additional standards in the Sustainable Building 2030 Energy Standard. Certain standards are more applicable to goals that the Partnership is trying to achieve so having a full menu of additional standards might be preferable as long as they align to achieve our ultimate goals.
- Item 12: Mayor Hodges said the City has in place a small business support program to invest in making businesses greener in general, whether it be chemical cleanup or energy efficiency. Bridget added that they are working with Patrick Hanlon to leverage those programs.
- Item 14: Laura wondered when in the two-year plan the benchmarking data would be available. Audrey replied that they have identified the lower performing buildings and could start at any point to reach out to them. This is an item that could be launched pretty quickly. Audrey noted that in the case of buildings that have already been benchmarked they do have gas data available. Luke added that there is data already available for large commercial buildings in the benchmarking program so those buildings could be targeted immediately. There have been conversations with City benchmarking staff, and Bridget has met with Katie Jones Schmitt on benchmarking for the City. Katie has been doing specific targeting to identify some of those low-performing buildings, and she does direct outreach to some of them. Last year she did a couple of targeted workshops to specific segments, one of them being hospitals, where she gathered the hospitals within the city of Minneapolis and working with Xcel Energy's account managers pulled them together to do a lessons learned session, i.e. how are the buildings performing, how can we work together, how do you communicate, who are those contacts. CVP Glidden added that those buildings that have been benchmarked in the segment of 50,000 square feet and greater comprise a universe that is defined and it is not that great in quantity. There has been some fairly high touch from the City already to assist those buildings, primarily those on the smaller end, who aren't familiar with benchmarking on how they do the process.

Luke explained that Items 14 and 15 are interrelated. As previously mentioned, a workshop on the benchmarking program specifically for hospitals, with collaboration from the utilities, has occurred. Item 15 is a sector or sub-sector approach but Item 14 is really drilling down to buildings that need the most help if we can identify those buildings. These two items work in tandem and are complementary.

Lee Gabler, adding on to Bridget's comment about educational workshops, said Xcel Energy is using data today because it has programs to specifically target business sectors and businesses of different sizes. If a business is a managed account or serviced through the

business solution center it is to Xcel Energy's benefit to leverage this data to show the benefits. While the requirement is for larger than 50,000 square foot buildings, Xcel Energy is taking all comers. If anyone wants to benchmark their building, even if it is below 50,000 square feet, Xcel Energy is well beyond what they expected for the number of participants that want to be benchmarked, and it has the process in place.

Bridget had one additional comment on Item 15 and the educational workshops. In a recent discussion she had with city staff, they said they wanted to try to engage the hospitality industry since it was so dominant in downtown Minneapolis for buildings this size. This could be a huge opportunity.

Laura wondered if there was some way to capture this activity, especially where the City is involved, because then it becomes a Partnership activity. Luke replied that there absolutely is a way to capture it, and that is one of the first steps to endeavor for a particular item. The City has energy use intensity already for the buildings to target. The Partnership could create a list of those that are individually targeted, how those buildings were targeted, what programs may be applicable, what they participated in, or any other assistance the City might be able to provide. The City can look at their energy use intensity in years following to see if that needle has moved, and where they don't see progress hopefully they can learn from that.

Todd said it would be good to have both gas and electric represented at those workshops. He requested that it be ensured that a CenterPoint Energy account manager is also in attendance in all of those workshops along with the Xcel Energy account managers.

Item 16: CM Reich suggested that while the Partnership is at the state legislature lobbying for more flexibility around energy efficiency standards – of any size building structure – we might as well look into changing the state building code, doubling down our lobbying effort. Right now it is a very low bar, and we could explore perhaps not raising the bar but having the flexibility in different treatments that are not currently allowed. Following up on that suggestion, Adam said that in terms of lobbying there has been discussion by the majority in opposition to some of the proposals that have been floated on this topic. CenterPoint Energy would need to see what language eventually gets introduced before it can commit in a full manner, but Adam added that they understand the intent and are happy to work with the City.

Before reviewing the City Enterprise and Coordination section of the Work Plan, Luke explained that the City Enterprise specifically is the physical assets, operations, and staff of the city. In this section a lot of activities are attributed to the City of Minneapolis but to make a sizable impact they will need help from the Partnership that could come in the form of subject matter expertise or a variety of other ways. Although it says City Enterprise it implies Partnership as a whole.

*City Enterprise & Coordination* (p. 14)

17. Over the next few years the City will develop a strategy or strategies for achieving 100% renewable electricity for the City Enterprise by 2030.
18. City will accelerate the rollout of LEDs on City-owned streetlights. The City and Xcel Energy have had ongoing conversations about LED conversion on Xcel Energy-owned streetlights and will work together to accelerate that as well.

19. City is undertaking a study to look at expanding the fleet vehicle fueling options to include elimination of fossil fuel vehicles in the City's fleet.
20. City and CenterPoint Energy will work together to build upon findings of the Compressed Natural Gas (CNG) Feasibility Study for conversion of certain fleet vehicles, specifically those that are more heavy duty.
21. Partnership will continue conversations about infrastructure planning and projects. When two or more entities are planning infrastructure projects there may be economies of scale in identifying when those projects are going on and being able to accomplish multiple objectives from local partners at the same time.
22. City will develop RFP and procurement processes that reflect its commitment to equity in hiring and contracting. The City already has a number of items underway specific to this. The City is focusing on small businesses and is examining those more in-depth to determine if there are other steps that can be taken to be even more aggressive.
23. Related to the conversation about SB 2030 or other energy standards or programs, the City will develop a revision to its LEED Building Policy to increase reductions in energy for any new construction or major renovation projects. A potential pilot project has been identified for SB 2030 and depending on the results of that project it could feed into other references to SB 2030 in other segments of this Work Plan, as well as examining if that is the right standard or if there are other standards or options available.

#### Discussion on City Enterprise and Coordination:

Adam asked for more information on Items 19 and 20 and how they did or did not fit together. Luke replied that the CNG study reference in Item 20 was completed a year ago and was focused on certain fleet vehicle types that are more heavy duty, like maintenance or trash trucks, that have traditionally been seen as very likely candidates for conversion to CNG. They want to dive deeper into the results of that study. Item 19 is about a study that is being scoped out at the direction of Council Member Andrew Johnson and is looking at the elimination of fossil fuel vehicles in the City enterprise. That study will be undertaken in the next year or two. Adam wanted to make sure that we are not duplicating effort or being wasteful by spending resources on examining CNG fleet vehicles and also looking at eliminating fossil fuel vehicles. CM Reich clarified that the study on elimination of fossil fuel vehicles is more of an exercise to create a primary list study, looking at how that plays out after some analysis, and would not be about elimination. Language was modified so staff could coordinate with the City's existing fleet plan and there was a placeholder for this sort of activity so it is more of a phased study of what are our vehicles, what do they need, what are existing technologies, what is the cost-benefit analysis where we do see opportunities, and what sort of data justifies first steps.

#### General Discussion on the 2017-2018 Work Plan:

CVP Glidden request that Xcel Energy report back at the Q2 Board meeting on what it would like to choose as its policy leadership issue in the Work Plan. Laura replied that Xcel Energy is throughout the Work Plan and has done a lot of behind the scenes work that has been helpful in achieving some of the things the Partnership talked about in terms of collaboration, outreach, and so forth. She referred to the Renewable\*Connect program that was recently approved by the PUC. [This program is described in greater detail below under Agenda Item - Policy Updates.]

Todd said that CenterPoint Energy will benefit greatly from the work that Xcel Energy did on the benchmarking tool, and they look forward to working with them because CenterPoint Energy has committed to developing a similar tool. Similarly, Xcel Energy will benefit from the work CenterPoint Energy is doing on the On-Bill Loan Repayment program, having committed to going down the path of actually selecting an implementation vendor and really digging into it. There will be lessons learned so both utilities can benefit and get it right the first time.

CM Reich commented that it was very well laid out how the Work Plan will be implemented (page 8), in a strategic and goal-oriented way. The fact that implementation was partnered with best practices on equal footing, that intentionality of how we do it, is so essential for our Partnership and goes right to the essence of it. The emphasis on outreach and the steps given throughout are extremely valuable and give direct meaning to our constituents.

CVP Glidden offered acknowledgement and thank you to EVAC for its work preparing Work Plan recommendations. EVAC took on a lot of new process elements to help the Board think about how to make the Work Plan more its own and added elements that as a group they thought were important.

There being no further discussion on this item Mayor Hodges asked for a motion to adopt the 2017-2018 Work Plan. It was **MOVED** and **SECONDED** that the Work Plan be approved. Motion **CARRIED**.

CVP Glidden made a motion that the Planning Team and any necessary staff from the Partners come together to examine funding options for CEP so the entities can have conversations within their jurisdictions and can provide supporting information to EVAC as they are exploring funding recommendations. Process discussions between EVAC and the Planning Team would be in order to determine the best way to do this to ensure that there are not multiple processes and that EVAC receives real time information to consider prior to making their recommendations. It was **MOVED** and **SECONDED** that the motion be approved. Motion **CARRIED**.

## **5. Policy Updates**

- MN House File 113 – Section 1. Natural Gas Combined Cycle Electric Generation Plant  
Laura McCarten reported that this bill was introduced by Representative Jim Newberger who represents the Becker area. It reads in part:

“...a public utility may, at its sole discretion, construct, own, and operate a natural gas combined cycle electric generation plant as proposed to the PUC in docket number 15-21, provided that the plan is (1) located on property in Sherburne County, Minnesota, already owned by the public utility, and (2) constructed after August 1, 2017. The commission [PUC] must approve recovery of costs associated with the construction and operation of a plant under this section....”

This relates back to Xcel Energy’s Integrated Resource Plan that proposed shutting down two of the coal units at the location in Sherburne County near Becker, keeping the third one operating, and replacing them with a new natural gas plant and combination of up to 1500 MW of wind as well as additional solar. The PUC in approving Xcel Energy’s Resource Plan did not approve that piece. Representative Newberger introduced the bill because he is interested in getting the certainty of the plan to build this replacement natural gas plant.

Xcel Energy supports this bill because that element of its Resource Plan is all part of an integrated plan that allows them to move to a 63% carbon-free energy mix by 2030 at a price overall that stays below the national average project cost increases and maintains reliability for its customers. It is a controversial bill. There are some people that do not support it or oppose it because it basically sets in state law what would otherwise go through a PUC review process, called the Certificate of Need. It is not the first time that state energy policy has been enacted through legislative action. A distinction with this bill is that the impact of this natural gas plant, or how it fits into an overall long-range resource plan, was so thoroughly analyzed in the Integrated Resource Plan that as a result of that although the PUC did not approve going forward with it they did say that it's most likely the need is there for this type of replacement. The Department of Commerce agreed with Xcel Energy that its analysis showed this was the least cost approach to accomplishing the big picture of shutting down 1400 MW of coal units, keeping system reliability, and bringing out all of the renewable while keeping prices low. Discussion on the bill continues and additional language might be added that would address further assurances that the cost and need is correct.

CVP Glidden said she appreciated that Xcel Energy brought this item before the CEP Board, adding that it is difficult when there are policy issues where the Partners have different opinions. For some time the City of Minneapolis has had a public policy position recommending or supporting retirement of Sherco 1 and 2, with the understanding that that there would be some clean energy in the mix of the replacements. Her biggest concern is that without going through the regulatory process of the Certificate of Need the City does not have the public process to evaluate some of the items it questions, such as what does this do to reductions of greenhouse gas emissions and being able to meet the City's goals which mirror the state goals in terms of clean energy. She asked if Xcel Energy could provide some explanation of how this proposal will help meet the goals of the Partnership around clean energy.

Laura responded that the information is available now because the type of analysis – i.e. environmental attributes and cost – that goes into a Certificate of Need is exactly what was contained in the Integrated Resource Plan. Xcel Energy has volumes of information about the analysis that led them to the conclusion that this power plant fits with all of the pieces of the Resource Plan, starting with the shutdown of units 1 and 2.

Mayor Hodges added that she believes there has to be some information Xcel Energy has given to legislators to explain the background of the bill that comes out of the fact that the PUC said no to this part and some legislators want to say yes to this part.

Laura said that Xcel Energy would identify and gather information that could easily be emailed, and she would be glad to review that with anyone who was interested. Bridget added that the Planning Team could brainstorm about some additional information presented to stakeholder groups during the time of the Resource Plan procedure.

- Renewable\*Connect

Laura explained that this is a program that was approved by the PUC as a pilot. The first tranche will be open for subscription in late April. It mixes wind and solar resources to provide a 100% renewable energy source for customers who choose to subscribe. The longer you subscribe, the better the price, and customers retain the Renewal Energy Credits (REC). Xcel Energy has also retired RECs from the Wind Source program. From a structure standpoint the costs and benefits are borne by the participants. Bridget added that she and Gayle Prest are coordinating for some detailed discussions now that the program has been approved. Gayle said they will bring in Brian Millberg, Energy Manager of Property Services. There will be some policy issues related to this, i.e. does Minneapolis want to support this program or do we want to support other renewable options in Minnesota, and what is the price difference. The Planning Team appreciates the briefing by Xcel Energy and will report back on this at the 2017 Q2 Board meeting.

- **Customer Energy Use Data**

Audrey reported on the PUC docket opened in 2012 to discuss the appropriate use of Customer Energy Use Data (CEUD). That docket was designed to look at the appropriate use of data, balancing the need for customer data privacy with the role that CEUD can play in meeting energy goals of the state, municipalities, and other stakeholders. On December 1, 2016, the PUC held a hearing where they made a ruling on that docket. Rather than setting a standard for the state overall, they asked each utility to provide its own standard. The PUC issued a written order on January 19, 2017, which gave the utilities more clarity. That order provided a definition of CEUD, ordered that utilities protect the anonymity of CEUD, and that each utility file its data aggregation policy with the PUC either 30 days after the date of the order if they were already providing data based on that policy, or 30 days before they started providing data under a particular policy. The order also required utilities to track and report annually on the requests received for that data and the costs associated with aggregating and providing the data. The PUC Order was an unexpected outcome. However, Xcel Energy is moving forward with its aggregation policy and CenterPoint Energy is committed to developing its data aggregation policy.

Luke added that this was an item in front of the PUC, and there has been open admission that all the partners in CEP will not be in agreement on all PUC dockets. Some of the PUC commissioners recognize the Partnership in particular as a vehicle that they will be looking at in the future for how policy issues may be worked on outside the PUC on a local level. They encouraged the CEP to continue these conversations. This docket was a good experience for the Partners and they were able to find a lot of common ground.

## **6. Community Solar Garden Update**

Lee Gabler provided an update on Xcel Energy's Minnesota Solar\*Rewards Community program. As of January 23, they had 56 MW of community solar online and operational. That is one of the largest, if not the largest, community solar garden programs in the country. They expect to hit 100 MW of community solar online during the first quarter of 2017 based on what is in the queue, i.e. more than 400 MW currently in design and construction. Assuming that they continue down this path – there is not a significant amount of construction onsite today – they are forecasting by the end of the year they will have upwards of 400 MW of community solar online. At the end of 2016 Xcel Energy had facilities already built to the point of waiting for the

solar garden to be completed for almost 150 MW of solar, and they are actively energizing systems every month and working with developers on their schedules. There was a big rush of applications in the fourth quarter of 2016 under the applicable retail rate. So far in 2017 no applications have been received, which does not reflect on the value of solar as much as the fact that people have a lot of projects under development so nothing new is coming into the system. So far none of the solar gardens who have applied for the program are looking to retain the Renewable Energy Credits (RECs). That is up to the developers and they are selling all of the RECs back to Xcel Energy. That is one difference between this program and Renewable\*Connect because a lot of companies are looking for that REC so they can claim those attributes.

Gayle added that the City has 23 subscriptions with developers from the Met Council RFP for community solar gardens. They also have one they did on their own where they tried to retain the RECs, and they didn't get any good proposals. They did sign one but they don't retain the RECs. It's about 7.6 million kWh annually, and the City Council approved up to 12 million kWh. Sustainability staff has been directed to report back by the end of February on how to do another RFP for community solar gardens as it relates to low income. By March 1, Xcel Energy must submit to the PUC on how they can look at low income as it relates to community solar gardens. The Department of Commerce also has to provide some information to the PUC by March 1 on low income community solar gardens. If done right it will be an opportunity to keep costs known and low into the future. All three entities are trying to figure this out together, and Gayle asked if Xcel Energy could give any insights on what they will be proposing on March 1. Lee responded that Xcel Energy is still working through what those are, but it has to be a menu of options for discussion, including things already in place such as a backup subscriber model.

Laura said that as of today Xcel Energy has 162 MW from two non-community solar garden programs. Later this year there will be another 100 MW project coming on, and they are projecting 400 MW of community solar gardens, so that will be more than 600 MW of solar by the end of 2017. Three years ago we were at 15 MW so a lot has changed in a couple of years.

## **7. Announcements / Open Discussion**

- Minneapolis received an achievement award as part of Minnesota's first Clean Energy Community Awards program sponsored by the Minnesota Commerce Department. The awards acknowledge work done by Minnesota communities' programs, policies, and technologies to further the state's clean energy goals and encourage energy efficiency, conservation and renewable energy generation. Minneapolis received its award for formation of the Clean Energy Partnership as an approach that partners the City of Minneapolis in a unique way with Xcel Energy and CenterPoint Energy to help the City reach its Climate Action Plan and Energy Vision 2040 goals.
- Minneapolis also earned a national SolSmart gold designation for making it faster, easier, and cheaper to adopt solar. The award from SolSmart – a program funded by the U.S. Department of Energy – recognizes Minneapolis' national leadership in advancing solar energy. In particular, Minneapolis' efforts include updating zoning requirements, reducing solar permitting time and costs, education and outreach, training staff and solar installers, advocating at the PUC, placing solar capability on City-owned buildings, and committing to community solar gardens.

## **8. Next Meeting**

The next CEP Board meeting will be held April 21 from 10:00 am to noon at a location to be determined.

The meeting was adjourned at 11:59 a.m.

*This constitutes my understanding of items discussed and decisions reached.  
If there are any omissions or discrepancies, please notify the author in writing.*  
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