Clean Energy Partnership
Q4 Board Meeting
October 5, 2017
Agenda

3:30  Welcome & Introductions
3:40  Review and Approval of Agenda and Minutes
3:45  Work Plan Activity Criteria
4:05  Community Engagement Pilot Reports
4:35  Quarterly Update from EVAC Co-Chair
4:45  Kate Knuth Introduction
4:55  Announcements / Open Discussion
5:25  2018 Q1 Board Meeting
5:30  Adjourn
Work Plan Activity Criteria and Processes
Four Interconnected Components

• Work Plan Activity Criteria
• Items of Potential Collaboration
• Amending a Work Plan
• Process for Creation of Subsequent Two-Year Work Plans
Work Plan Activity Criteria

The intent of the approved work plan is to support a stable scope of Partnership activity over the two year term of the work plan.

A Partnership work plan activity shall:
1. Help the City reach its *Climate Action Plan* and *Energy Vision for 2040* goals,
2. Initiate an action that would not happen absent the Partnership [Item for Discussion],
3. State roles for the City and at least one utility, and
4. Identify a lead Partner.

If the Partnership Board determines an activity does not or no longer meets all criteria, it will take action to eliminate the activity from the work plan. [Item for Discussion – Board authority]
Items of Potential Collaboration

The Partners may identify in the work plan certain individual Partner activities that clearly advance the City’s climate and energy goals and may become areas of future collaboration.

Previously existing and/or new utility programs near deployment may be considered for this section with a planned collaborative effort to leverage the Partners’ resources.
Amending a Work Plan

In the rare event that the Partners deem it necessary to amend a work plan activity, the substance of the amendment shall be presented by the Planning Team at an EVAC quarterly meeting for input prior to Board consideration.

Any amended or new activity must meet the work plan activity criteria.
Process for creation of subsequent two-year work plans

• The City shall bring forth its priorities with enough time to allow the utilities to fully research the potential of each priority.

• Each Partner shall present a list of potential work plan activities with enough time to adequately discuss and assess the concepts. [Item for Discussion – prioritization]

• EVAC may advance recommendations that meet the established work plan activity criteria for consideration by the Planning Team.
Minneapolis
Clean Energy Partnership
Pilot Project
Minneapolis Renters Coalition
October 5, 2017
Minneapolis Neighborhoods

Project Partners

- Holland Neighborhood Improvement Association
- Community Power
- Corcoran Neighborhood Organization
- Nokomis East Neighborhood Association
## Our Communities

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Bossen Area (NENA)</th>
<th>Corcoran</th>
<th>Holland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Population</td>
<td>1,247</td>
<td>4,178</td>
<td>5,089</td>
</tr>
<tr>
<td>Race and Identity – Of Color - Total</td>
<td>88.3%</td>
<td>49.3%</td>
<td>53.7%</td>
</tr>
<tr>
<td>Renter Occupied Housing</td>
<td>93%</td>
<td>38.6%</td>
<td>57.5%</td>
</tr>
<tr>
<td>Workers by Earnings - $15k or less</td>
<td>28.3%</td>
<td>20.1%</td>
<td>20.9%</td>
</tr>
<tr>
<td>Workers by Earnings - $15k - $40k</td>
<td>33.2%</td>
<td>36.6%</td>
<td>41.0%</td>
</tr>
<tr>
<td>Cost-Burdened Renter Households</td>
<td>60.3%</td>
<td>49.8%</td>
<td>66.2%</td>
</tr>
<tr>
<td>Language other than English</td>
<td>N/A(^3)</td>
<td>20.2%</td>
<td>30.8%</td>
</tr>
</tbody>
</table>

*Minnesota Compass Report – Neighborhood Profiles*
Rental Housing

Duplexes
Tri-Plexes
Four Units
Five+ Units
Methodology

- Quarterly project work plans (each partner)
- Monthly group meetings, cross-training and support
- Outreach staff (English, Spanish and Somali)
- Surveys - landlords & tenants
- Door knocking and events
- LED lightbulb give-aways
- Online data entry forms
- Regular calls with City and Utilities (including neighborhood summaries)
- Individual staff finding summaries and analysis
- Final report and data
Findings - Program Eligibility

- Six buildings qualify for the Low Income Rental Classification (LIRC)
  - Four are newer buildings
  - Bossen - 110 Unit Property and a 12 Building Townhome Property
    - First property completed the Multi-Family Energy Savings Program in 2016
    - Second property - extensive remodel in 2015 financed through HUD (including energy efficiency improvements)
- Remaining buildings are market rate
  - 4 Units & Under - Home Energy Squad & Rebates
  - 5 + Units - Multi-Family Building Efficiency Program & Rebates
Findings - Landlord Surveys

Larger Properties (5+ units)
- Professional property managers / companies
- Have completed or indicated interest in energy efficiency and saving money
- Most indicated they will call for more information about the energy efficiency programs.

Smaller Properties (4 and under units)
- Most property owners also manage property(ies). Hands-on.
- Most indicated “saving energy and money” is a high priority. However, have not made significant changes nor indicated an interest in the efficiency programs.
- Several said they only make changes “if something is broken.”
- In general, a lack of understanding of building energy efficiency; disinterest in investing in the property beyond operating costs; lack of confidence in tenants and treatment of the residences.

Engagement Deliverables

Buildings -
60 (57 Completed)
Duplexes - 14
Triplexes - 5
4 Units - 9
5+ Units - 29

Landlords Surveys -
20 (43 Completed)
NENA: 10-12 (14 Completed)
CNO: 12 (24 Completed)
HNIA: 5-7 (5 Completed)
Findings - Tenant Surveys

- Tenants in duplexes and tri-plexes pay electricity and gas. All others pay electricity only.
- Most respondents already do some energy savings practices in their homes (ie - turning off lights and unplugging chargers). It is “just common sense” and fire prevention.
- Saving energy is a: Saving money is a:
  - 71% High Priority 79% High Priority
  - 21% Medium Priority 19% Medium Priority
  - 8% Low Priority 2% Low Priority
- 18 of 126 respondents recognized the name or a photo of the Home Energy Squad (HES) van. Only half of these respondents knew about the services provided by HES. No one has had a HES visit.
- 85% are “somewhat or very interested” in LED/CFL lightbulbs. No strong interest indicated for other energy efficiency program benefits (ie audit, aerators, programmable thermostats, etc).
- More than half of respondents would be “interested in participating in an energy efficiency program,” however doubtful if they can make changes in their apartments or can afford to make changes.
Initial Recommendations - Tenants (1)

- Home Energy Squad
  - Good fit for tenants living in *duplexes* and *triplexes*
    - HES program features make significant changes in energy efficiency and cost savings
    - Focus marketing efforts on landlords and tenants
    - Focus on cost savings for both tenants and landlords
    - Tenants will have experience with HES for possible future home ownership

- Not meeting needs or interests of tenants living in *4+ unit buildings*
  - Without landlord approval, the allowable HES program features will not make significant changes in energy efficiency and cost savings
  - Consider changes to HES program to meet needs and interest of these tenants
  - The only program feature of interest to tenants is the lightbulb exchange
  - Free or reduced cost for the program is not an incentive
  - “Why would I do this when I can’t make any changes?”
Initial Recommendations - Tenants (2)

• Communications
  • Different messaging for tenants in duplexes and triplexes vs 4+ unit buildings
  • Focus on saving money, as opposed to saving energy
  • Many of the respondents still receive bills and do not pay bills online. Inserts are relevant
  • Not many respondents indicated that they receive information from social media
  • Materials in multiple languages

• Other
  • Several respondents work with social service agencies; housing agencies or are in energy assistance programs. Respondents get information from their case workers. Program promotion through the agencies.
  • Most respondents (in 4+ buildings) do not pay a gas bill. The electricity bill is constant. Therefore, many respondents are not too concerned about energy or efficiency. They do not understand or believe they can do much to change the bill.
Initial Recommendations - Landlords

• Buildings with professional management are the most interested in the programs.
• Much misinformation about energy efficiency and building improvements (Mostly from smaller buildings with the owner who also manages the building)
• Program benefits or incentives to overcome the “don’t fix it, if it’s not broken” attitude. Often the make repairs and replace equipment in a piecemeal fashion.
• Program benefits or incentives to overcome a strong reluctance to invest in a property more than to keep it operational.
• Many are interested in specific issues, such a replacing 2-3 wall a/c units, as opposed to large building projects. Messaging - when it times to replacing XXX, contact us.
• Promote the Home Energy Squad with owners of duplexes, tri-plexes and 4 unit buildings. Tenants will need to work with the landlord to make changes
Initial Recommendations - Future Projects (1)

- Continue direct outreach projects. Collected useful information from the target audience through surveying and working in the community. This would not be possible by online surveys or tabling at events that are not likely attended by the target audience. The outreach groups door-knocked, hosted events for the specific communities and spent time in the communities to reach target audience members.

- Improve training for outreach groups. The one day training was not enough. Most new outreach groups will have minimal knowledge of the basic concepts and no experience of the specific programs offered by the utilities. Much time was spent by the group in attempt to understand the programs, what type of buildings qualify, etc.

- Better understanding and communication of the data needed by the city and utilities from the project. Build on the survey format and outreach methods for future projects. This will help save project admin time.

- Improved printed materials for the project (ie - Leave behinds about the programs and rebates, information on how to save energy in apartments, testimonials from landlords and tenants who have used the programs, multi-language materials)
Initial Recommendations - Future Projects (2)

- Support for or a system for data entry of surveys. Took a significant amount of time.

- Continue incentives. Noticeable increase in interest in taking surveys after lightbulb incentive was introduced.

- City and utility team members to join outreach groups for door-knocking and/or events. Important to see the work first hand. Will benefit team members to help understand how surveys are administered, the pace of conversations, the reticence of some respondents to speak with outreach groups, multi-lingual conversations, the communities served, etc.
Next Steps (October - November)

- Complete door-knocking & surveying
- Data entry and analysis
- Final Report Presentation on Nov 8
Quarterly Update from EVAC Co-Chair Matt Kazinka
Kate Knuth
Chief Resiliency Officer, City of Minneapolis
Announcements / Open Discussion
Franchise Fee Update - Minneapolis

• **August 31**- Subject matter was introduced at Council

• **September 20**- formal introduction of ordinance change

• **September 21**- The Clerk’s office will send formal notification, via registered mail, to both Xcel and CenterPoint, notifying them of the proposed ordinance change. *This starts the process for the 60 day notification period clock.*

• **October 2**- Ways & Means Committee will set the public hearing for December 4^{th}. 
Franchise Fee Update Cont.

- **November 16** (approximately)- depending on when the registered letters were signed for by the utilities, the 60 day clock expires.
- **November 27** – Report to HECE
- **December 4**- Public hearing and adoption at W&M
- **December 8** - Adoption at Council.
- **December 16**- Ordinance change is official
- **December 18**- Clerk send formal notification via registered mail to utilities.  
  
  *This starts the next 60 day clock process.*

- **February 16**- Xcel and CenterPoint will institute the change in franchise fee in the next billing cycle.
Building Sector Workshop Updates – All Partners
2017-2018 Work Plan Items 14 & 15

Pair benchmarking data w/ energy efficiency program opportunities

Minneapolis Public Schools (Jul 5)

Office Buildings (Jul 11)
• 23 Office buildings attended

Hotels (Oct 3)
• 7 hotels attended
Rate Case Overview – CenterPoint Energy

- On August 2, 2017, CenterPoint Energy filed a rate case request with the Minnesota Public Utilities Commission to increase rates by $56.5 million. Decision expected in late 2018.

- If granted, this represents a 6.4% increase in total revenue.

- This case is driven by:
  - Ongoing capital investment of ~$1 billion over 5 years.
  - Need to renew the Decoupling Rider to support conservation activities.

- CenterPoint Energy’s last rate case was filed in August 2015. We provide service to over 840,000 customers in more than 260 communities in Minnesota.
Data Aggregation Tool – CenterPoint Energy

- Statement Of Work (scope, criteria) developed
- Options for developing DA Tool complete. Decision made to use outside expertise vs. developing in-house

Timing:
- RFP and vendor selection = Q4 2017
- Application Development = Q1-Q2 2018
- Testing = Q3
- Launch = Q4 2018

Challenges:
- Data privacy required deep statistical analysis to ensure customer privacy
- Hurricane Harvey stretched available resources
Low Income Community Solar Garden – Xcel Energy

• Assessing potential to extend scope of existing RDF-grantee project to include Minneapolis project

• Xcel Energy facilitating discussions with project-grantee and City of Minneapolis
Small Business Refrigeration Program Update – Xcel Energy

• **Target Group: Groceries & Convenience Stores**
  – Larger groceries added to help with cost effectiveness
  – Successful RFP, in process of finalizing contract with chosen firm
  – Filing with MN PUC mid-November
  – Targeted launch in February of 2018
  – Outreach and training activities will begin soon
  – Will meet with CEP representatives to coordinate activities
  – Leverage with Green Business Cost Share Program

• **Met with EVAC SB workgroup twice**
  – Discussed details and worked through concerns
  – EVAC SB group supports this project
  – EVAC would like to develop a city wide SB program with contracted
  – Community engagement agencies
Renewable Energy Update – Xcel Energy

Renewable*Connect

• Filed September 21st to remove the 10% cap allowing the City to purchase an additional 50 MW.
• The schedule moving forward is unknown at this time

Wind Expansion

• Will build and own a new 300-MW wind farm in South Dakota
• Puts Xcel Energy on pace to be the first utility in the US to surpass 10,000 MW of wind
• On pace for more than enough clean energy to power every home in Minnesota and Wisconsin

Community Solar Garden Program

• Reached over 139-MW from 40 CSG’s
• Largest Community Solar Garden program in the country
Next Meeting Date:
Possibly February 2018

Adjourn