

**Interim 2019-2021 Work Plan Progress Report – Q2 2021**  
**Clean Energy Partnership Q2 Board Meeting**  
**June 2, 2021**

**Progress to Date (June 2021)**

**EE.1 REDUCE NATURAL GAS USE FOR RESIDENTIAL CUSTOMERS**

EE.1 aims to double residential participation in building envelop and high-efficiency equipment programs across the City. EE.1 proposes to use data-driven strategies to identify and engage customers with high energy savings potential with a specific focus on the City's Green Zones. CenterPoint Energy and ILLUME are preparing a Minneapolis specific Dashboard analysis to inform the development of targeted outreach strategies in Q1 2021. CenterPoint Energy and the City of Minneapolis met in Q1 to share and discuss the findings of a Minneapolis-specific Dashboard analysis identifying three census tracts to test a targeted marketing campaign to increase CIP participation. In Q2, the Partners will consider how to engage EVAC in the development and deployment of a targeted outreach campaign.

To address the upfront cost barrier of home insulation projects, CenterPoint Energy launched Instant Rebates for its Air Sealing and Insulation Program. In Q1, CenterPoint Energy trained eight rebate eligible installers (REIs) on the Instant Rebate offering. Four REIs have agreed to offer the Instant Rebate option: Advanced Attic Insulation, Air Seal Tech, Element Insulation, and Installed Building Solutions. To date, five Instant Rebates have been processed from a single REI. CenterPoint Energy is planning a mid-year check in with REIs to collect feedback on their progress offering Instant Rebates.

**EE.2 REDUCE ENERGY USE FOR HIGH ENERGY SAVING POTENTIAL COMMERCIAL CUSTOMERS**

EE.2 has the Partners coordinating on engaging commercial buildings with high energy use and energy use intensity.

Xcel Energy's original intent for this initiative was to utilize a new vendor software that streamlines the process of compiling customer building type, usage, and historical DSM participation to efficiently direct utility staff and customers on the best path forward to maximize energy conservation through the most appropriate program(s). Additionally, Xcel Energy planned to pilot this by cross referencing the City's list of benchmarked buildings to identify the bottom performing 25% - thereby identifying those buildings with the most energy savings potential.

Xcel Energy and its vendor could not come to a financial agreement on terms and therefore did not sign a contract for the pilot. Instead, Xcel Energy used its current method of manually assessing each customer and building individually to determine the best past forward.

CenterPoint Energy performed an analysis on the same customers and the utilities met with the City to provide an update. Soon afterwards, the COVID-19 pandemic broke out and had significant impacts on the customers identified for this effort. Many were large hotels and office buildings who now faced many other challenges as well.

Xcel has monitored and re-assessed the situation twice during the pandemic, including just recently. The rest of the buildings on the list are partially occupied, if at all, because they are office buildings. These buildings generally are not moving forward with any capital projects and are waiting to see how their buildings fill following the pandemic. This may take a while as businesses look at leasing options.

The utilities began a joint commercial energy audit process this year and have now completed 19 audits, of which 9 were for Minneapolis customers; none of these were in the bottom 25% performing buildings.

CenterPoint Energy launched REBUILD in August 2020 offering no-cost energy consultations and increased energy efficiency incentives to customers impacted by civil unrest that occurred in 2020. CenterPoint Energy extend the deadline to enroll from the end of 2020 to July 1, 2021. To date, 42 customers have enrolled, 5 no-cost Natural Gas Energy Analyses have been conducted, and 8 triple rebates valued at \$33,000 and 1,795 Dth savings have been paid.

### **EE.3 PURSUE ENERGY EFFICIENCY “PERFORMANCE PATH” AT CITY FACILITIES**

EE.3 aims to improve energy efficiency in City facilities.

Xcel Energy developed a pilot program to test with the City of Minneapolis in their facilities. This program is designed to incentivize higher levels of customer engagement in energy efficiency with higher levels of utility engagement through assessments/studies and rebates. Xcel Energy has been working with the City’s Energy Manager to help achieve a pilot goal of 10% electricity use reduction in City facilities.

As part of this pilot, additional building needs assessments were completed and found minimal new opportunities beyond previous work the Partners have done together, which has included building needs assessments, lighting upgrades, HVAC system upgrades, and street lighting LED conversion. Building Operator Certification (BOC) training for City employees is currently being explored. Once the City Energy Manager determines who may participate in the BOC training, Xcel Energy will schedule to the needs of the city.

CenterPoint Energy conducted site visits to evaluate over 70 gas meters at City facilities for possible upgrades for automated daily meter reads. City Facilities staff reviewed the information on meter upgrade potential and costs and has decided to proceed with upgrades to two-thirds of the evaluated meters at the City’s expense.

#### **EE.4 FIELD TEST ENERGY EFFICIENCY AND CARBON CAPTURE TECHNOLOGY**

EE.4 aims to pilot energy efficiency and carbon capture technology, called CARBiNX at commercial facilities in Minneapolis and surrounding suburbs.

In 2020, the CARBiNX pilot experienced delays due to permitting challenges and COVID-19. While permitting the CARBiNX unit is permissible under current law, permitting is at the discretion of building code officials who are not familiar with the technology and have to prioritize more standard projects. Therefore, CenterPoint Energy and the makers of CARBiNX, CleanO<sub>2</sub> Technology, have had to invest more time and resources than expected into municipal code official engagement.

The City has begun coordination with code officials in Minneapolis and Columbia Heights (the location for Minneapolis's facility pilot site) to troubleshoot any pilot project permitting questions or concerns. Meanwhile, CenterPoint Energy continues to engage in productive meetings with the Minnesota Department of Labor and Industry regarding permitting process. In addition, CleanO<sub>2</sub> Carbon Capture Technologies is seeking UL listing as a heat recovery unit which is expected to help with permitting.

#### **EE.5 SUPPORT RESIDENTIAL ENERGY DISCLOSURE POLICIES BY MAKING DATA ACCESSIBLE WITH TOOLS**

EE.5 proposes new and enhanced utility data access tools to support implementation of the City's energy disclosure policies.

The Minnesota Public Utilities Commission (PUC) issued an order on Nov 20, 2020 for DOCKET NO. E,G-999/M-19-505. This order established a data aggregation standard, which states that utilities must provide aggregated customer energy use data sets to third parties, such as the City and property owners. These data sets may include data from no fewer than 4 customers and that a single customer's energy use must not constitute more than 50 percent of total energy consumption for the requested data set (the "4/50 rule"). Due to this Commission Order, the Partners have established two parallel paths for roll-out of the Time-of-rent energy cost disclosure ordinance based on building size (1-4 and 5+ unit properties), with weekly meetings since the Q1 Board meeting alternating between the two.

##### 5+ unit Properties

CenterPoint Energy and Accelerated Innovations completed their benchmarking tool modifications for Time of Rent compliance in Q1 2021 and are making refinements at the request of the City in advance of planned ordinance outreach starting mid-July.

Xcel Energy and Accelerated Innovations are in the middle of tool development with finalization planned prior to the City's outreach in July. Requested changes by the City in CenterPoint Energy's tool are being incorporated on Xcel Energy's tool as well. The two utilities and AI meet regularly to align tool pages and outputs as much as possible to allow for a consistent and easier to understand view from a customer perspective.

The City and CenterPoint Energy have co-created a "quick start" user guide that will assist property owners in using the utility's data tool specifically for compliance with the City's ordinance. While Utility tools are designed to be as user-friendly as possible, the guide provides details for the most common steps that the majority of property owners will follow to create and share with tenants an energy cost report for their building. The Partners are developing other helpful resources for property owners, including: a Xcel Energy tool "quick start" user guide, a utility-tool FAQ for helpful hints and guidance on less common steps, a short video illustrating the software tool registration steps, the City's 311 call line for helping owners find guidance on the FAQ and common issues, and dedicated utility-specific help email addresses for property owner assistance on technical or account-related issues. These resources will be available to property owners in mid-July when property owners will be encouraged to begin creating energy costs reports in advance of the September 1 compliance date.

To develop the help resources above and test the utilities' software tools, the Partners are working with MHA in seeking interested property owners to use the tools in June and provide feedback directly to the Partners about their experience.

#### 1-4 Unit Properties

For properties with less than 4 units that cannot be adequately aggregated, the PUC requires customer consent before releasing whole building energy use data to third parties, such as property owners. As part of the PUC docket previously discussed, on March 1 Xcel Energy and CenterPoint Energy submitted annual compliance filings, which included a discussion about which, if any, additional use cases the Commission should consider. In its March 1 filing ([Docket No. E,G-999/M-19-505](#)), CenterPoint Energy requested that the Commission consider how CEUD consent requirements should apply when landlords of 1-4 unit properties in the City of Minneapolis request tenant customer energy use data (CEUD) in compliance with the City's ordinance. In Xcel Energy's March 1 filing ([Docket No. E,G 999/M-19-505](#)), Xcel Energy stated: "We are aware that a number of communities are implementing benchmarking ordinances that in some cases apply to all sizes of rental properties including single-tenant buildings. The Commission may want to specifically examine the 4/50 aggregation standard for the building benchmarking Use Case in light of emerging benchmarking ordinances."

As a result of the regular meetings between the Partners since the Q1 Board meeting, a concept has been collaboratively developed that may provide a path forward for regulatory compliance. The concept would entail the City providing the utilities with a list of 1-4 unit rental property addresses, the utilities compiling energy data individually for those properties, and then

reporting back to the City (for public disclosure) an individual property's relative energy cost in relation to other rental properties. Precise energy data for a property would not be disclosed, but rather the property would be indicated to be within a range of costs, which is then placed in comparison to other ranges of costs for rental properties in the city. CenterPoint Energy requested the City explore ordinance language that protects renters from retaliation as a result of this ordinance.

The City has provided a list of rental property addresses to the utilities and Xcel Energy is currently undertaking a data privacy analysis to be complete by mid-June. Updates are communicated to the City and CenterPoint Energy at regular intervals during our weekly meetings as well as additional meetings to ensure we have clarity on the data to be used for the analysis. CenterPoint Energy is looking at their ability to match data sets and determining quintiles of natural gas consumption for each customer also by mid-June. A next step would be to review the utilities data analysis findings, the City's evaluation of renter protections, and determine the process for PUC notification or approval, if necessary.

#### **RE.1 INSTALL ELECTRIC VEHICLE INFRASTRUCTURE FOR CITY FLEET**

RE.1 spurs the transition to an electric vehicle fleet for the City of Minneapolis.

The Minneapolis City Council [approved](#) the Customer Use Agreement for Xcel's pilot project. Site visits by Xcel Energy are in process to inform design and construction. City facility locations likely included in this pilot are the Aldrich facility, Fridley Water Plant, and Federal Court House Ramp. The Partners are now working on design.

#### **RE.2 ACHIEVE 100% RENEWABLE ELECTRICITY FOR CITY ENTERPRISE AND COMMUNITY PATHWAY**

RE. 2 creates a pathway to the City's 100% renewable electricity goal.

In 2019 the City issued a Request for Information (RFI) to meet its 100% renewable electricity goal for both city enterprise by 2023 and communitywide by 2030. Xcel Energy responded to the RFI. The City and Xcel Energy met multiple times to discuss potential renewable options the City is interested in.

To meet City's estimated municipal operation's annual renewable electricity need of 90-100 million kWh in 2023, the City has released two separate RFP's:

1. The first requests 80 – 90 million kWh generated each year from renewable resources located outside of the City limits.
2. The second requests 8 – 10 million kWh generated each year from renewable resources located within the City limits on City owned property or any other locations.

Responses for these two RFPs were due in March 2021 and the City was pleased with the number and quality of responses received. The City has met internally numerous times to review the responses and is in the process of reaching out to promising proposals for further clarifications and questions.

### **RE.3 PROVIDE SOLAR GARDEN AND ENERGY EFFICIENCY OPPORTUNITIES FOR LOW-INCOME COMMUNITIES**

RE.3 aims to establish a low-income community solar garden.

Xcel Energy submitted the adjusted Renewable Development Fund (RDF) grant contract to the Public Utilities Commission (PUC) that would alter the timeline per the request of the grantee and establish the final grant amount. It is currently awaiting PUC review and hearing. A Commission decision is anticipated around June 2021. Subscribers may be identified through the City's 4D program and energy efficiency roll-out plan.

### **WD.1 IMPROVE EQUITABLE ACCESS TO CLEAN ENERGY JOBS**

WD.1 aims to build the Partner's collective understanding of the obstacles and opportunities of achieving a diverse clean energy workforce.

Since the adoption of the Work Plan in late 2018, the workforce situation in clean energy jobs, like all parts of the economy, has been altered due to the pandemic. The Partners are in the process of beginning new conversations reflective of the evolving workforce situation.

Xcel Energy has also proposed a \$4 million workforce development program aimed at helping Black Indigenous People of Color (BIPOC) find training and energy related careers. We have met with local organizations and the unions— and have met with the City - that offer such programs to determine what should be included in our RFP and program structure. We are now working on program design to finalize the formal petition. We anticipate filing this program with the PUC in June.

Additionally, in December of 2020, Xcel Energy filed a CIP modification to work with the Center for Energy and the Environment (CEE) on a \$5.7M proposed energy efficiency workforce training program that will be focused on engaging participant in areas of concentrated poverty and finding placement in companies or establishing their own. The City has provided Xcel Energy with a list of recommendations for this program and has offered to assist in preparing the RFP and reviewing responses. The proposal also includes a scholarship fund to assist income qualified students perusing careers in energy efficiency. If the CIP

Scholarship Fund is approved by the Department, the Company intends to create a council comprised of workforce development experts, community leaders and companies from the region that would eventually hire the CIP-WDE participants. One of the functions of the board would be to define the application requirements, review applications, and select scholarship recipients. When developing this process, the Company will include credentials, licenses, and professional certifications like the Building Operator Certification (BOC) in the scope of eligible scholarship uses.

Xcel Energy and City have worked together on employment communications and outreach, including newsletters and job fairs. The teams will meet to discuss additional opportunities. The City and Xcel Energy will meet in early June to discuss the newly approved Conservation Improvement Program energy workforce development effort. CEE developed the program proposal and will join the discussion.

In 2020, CenterPoint Energy launched a new employment opportunity to provide a more accessible career entry pathway into the skilled trades and utility industry. In Q2, CenterPoint Energy is again recruiting 10 Appliance Generalist candidates to take part in a six-month paid training course to learn the fundamentals of gas and electricity and how to repair refrigerators, ranges, dishwashers, washers and dryers. Training consists of classroom, lab and field training. At the end of the six-month training, candidates take a hands-on appliance assessment test to become a full-time appliance technician with HSP. The position does not require prior experience or technical school certification/enrollment. CenterPoint Energy intends for this to be an on-going position opportunity. CenterPoint worked directly with Minneapolis Employment and Training on outreach and recruitment efforts in Minneapolis. CenterPoint also participated in a May 27 “community-focused curbside career fair” at the North Minneapolis CareerForce location to promote this offering and other open employment opportunities at the Company, including Leak Detectors, Customer Service Representatives, and HVAC Technicians.

The City’s Employment and Training staff are meeting regularly with Health Department staff to coordinate green job exposure opportunities in solar and other green energy job with the CPED Career Pathways program. The City is working to further align efforts between the Health Department’s exposure training and the network of workforce development CBOs (community-based organizations) CPED partners with on various jobs programs.

### **IF.1 IMPROVE ACCESS TO ENERGY EFFICIENCY BY PROVIDING INCLUSIVE FINANCING**

IF.1 proposes an Inclusive Financing (IF) pilot.

On January 14, the PUC held deliberations in consideration of the CenterPoint Energy-City of Minneapolis IF pilot. On March 1, the PUC issued an order: 1) directing the City and CenterPoint Energy to submit a filing in a new docket within 90 days of the Commission order that presents potential viable pilot options that help achieve City objectives and are developed in consultation

with interested parties and 2) directing CenterPoint Energy with input from interested parties to develop a new or expanded low-income CIP proposal that focuses on renters.

CenterPoint Energy and the City have been meeting weekly to respond to the March 1 PUC order. CenterPoint Energy and the City engaged the following interested parties regarding development of an IF pilot: Center for Energy and Environment, Citizen's Utility Board, Community Power, Minnesota Department of Commerce, Energy Cents Coalition, Institute for Local Self Reliance, Minneapolis Energy Vision Advisory Committee, Minnesota Legal Aide, Liberty Homes, Minnesota Center for Environmental Advocacy, Minnesota Office of the Attorney General, Minnesota and Minneapolis Realtors Associations, Minnesota Mortgage Bankers Association, Sierra Club, Suburban Rate Authority, and Xcel Energy. The Petitioners also consulted with external parties with expertise in TOB programs such as Clean Energy Works, Renew Missouri, EEtility, Green Bank, Inclusive Prosperity Capital, and Ameren Missouri. Minnesota Center Environmental Advocacy (MCEA) hosted a meeting for attorneys involved with the IF docket.

On June 1st, CenterPoint Energy and the City will submit a filing in response to the March 1 PUC Order describing progress to date in the development of an IF pilot in consultation with interested parties and request a 90-day extension to submit a revised IF pilot petition. The extension period will allow more time to address unresolved elements of an IF pilot proposal in consultation with interested parties. CenterPoint Energy and the City will draft the revised IF pilot tariff and program administration documents and review with the interested parties as well as continue discussions with Xcel Energy with the goal to have their support and participation.

Xcel Energy has engaged in City and CenterPoint Energy discussions during this period. The utility has performed another analysis of measures determined to have some potential from the Cadmus study and found that modeled under the strict PAYS program, these measures do not currently pass the programs' qualifying tests. Xcel Energy continues to have concerns about the program but remains open to discussions throughout its development.