

**Interim 2019-2021 Work Plan Progress Report – Q4 2021**  
**Clean Energy Partnership Q4 Board Meeting**  
**November 19, 2021**

**Progress to Date (November 2021)**

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

EE.1 aims to double residential participation in building envelope 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.

In 2020, CenterPoint Energy and its vendor, ILLUME, made refinements to the Community Data Profile Dashboard based on EVAC feedback. CenterPoint Energy engaged with additional stakeholders, including Home Energy Squad vendor, Center for Energy and Environment, and other community stakeholders, like the Cities of Bloomington, Saint Louis Park and Minneapolis' Prospect Park Association, in using the Dashboard to deploy targeted engagement strategies and track progress toward goals.

CenterPoint Energy and ILLUME prepared a Minneapolis specific Dashboard analysis to inform the development of targeted outreach strategies in 2021. CenterPoint Energy is preparing to test a marketing campaign in census tracts that have higher energy use, lower CIP participation, and lower income levels. CenterPoint Energy is engaging with the City of Minneapolis, the Department of Commerce, and others in an approach that creates specific messaging to help customers that are behind on their bills access payment assistance resources.

To address the upfront cost barrier of home insulation projects, CenterPoint Energy launched Instant Rebates for its Air Sealing and Insulation Program at the start of 2021. In Q2, CenterPoint Energy contracted with a third-party evaluator to assess opportunities to improve the Instant Rebate offering from the perspective of Rebate Eligible Installers (REIs) that use the program. Through interviews with participating and non-participating REIs, the third-party evaluator found that additional training sessions on how to process Instant Rebates may help REIs feel more confident in offering the Instant Rebate themselves. As a result, the Company provided an Instant Rebate online training session in Q3. A new group of seven REIs agreed to offer Instant Rebates. The Company is in the process of updating its program webpage to denote REIs 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.

### Progress to Date (November 2021)

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 path 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 of which were large hotels and office buildings.

Xcel Energy monitored and re-assessed the situation twice during the pandemic, including just recently. The remaining 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; the Delta variant has further delayed the return-to-office plans for many of these buildings.

In a related effort, the Utilities began a joint commercial energy audit process and completed 19 audits in 2020, of which 9 were for Minneapolis customers; none of these were in the bottom performing 25% of benchmarked buildings.

Additionally, for commercial customers, 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 extended the enrollment deadline from the end of 2020 to the end of 2021. As of Q4, 47 customers have enrolled, 5 no-cost Natural Gas Energy Analyses have been conducted, and 11 triple rebates valued at \$53,513 and 8,059 Dth savings have been paid.

Xcel Energy launched a similar program in June 2020 called Recovery Rebates for customers impacted by civil unrest that offered no cost consultations and up to double rebates. Approximately 75 customers enrolled in the program: including grocery and convenience stores, retail, restaurants, multi-family and offices. Approximately one-third of the customers sustained extensive damage or complete destruction to their facilities; those projects are enrolled in the Energy Efficient Buildings program. The remaining customers are enrolled in the Commercial Streamlined Assessment (formerly known as Turn Key) program. Most of the projects are still in process with some of the construction projects not expected to be completed until 2024. Many of these projects will include rebates for installing energy efficient lighting, new HVAC (heating

**Progress to Date (November 2021)**

and cooling) equipment, refrigeration, and commercial cooking equipment. The deadline for this application has been extended to December 31, 2021.

**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 worked 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. The City’s new Energy Manager may determine if BOC training is prudent for City facilities staff. If the City decides to participate, Xcel Energy will schedule specialized BOC training.

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. A virtual meeting was held in late June 2020, to provide a demonstration of the technology and determine permitting criteria and procedures with code officials. The pilot also experienced several months of delays as code officials and project partners focused on other work related to adjusting to COVID-19.

### Progress to Date (November 2021)

CenterPoint Energy continues to engage in productive meetings with the Minnesota Department of Labor and Industry regarding permitting process. In addition, CleanO2 Carbon Capture Technologies obtained UL listing as a heat recovery unit which is expected to help with permitting approvals.

#### **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, establishing 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, alternating between the two.

#### 5+ unit Properties

The webtools for each utility were completed and functional by September 1, which represented the beginning of City outreach to rental license holders and property owners. To assist in the usage of these tools, "quick start" user guides were developed to assist property owners in using the utilities' data tools specifically for compliance with the City's ordinance. The guides provides the steps property owners will need to follow to create and share with tenants an energy cost report for their building. The Partners also developed other helpful resources for property owners, including FAQs, short videos 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.

Property owners began receiving notifications from the City on the ordinance's effective date of September 1 encouraging them to begin creating energy costs reports and guiding them to the tools and help resources developed by the Partners. Subsequent rounds of notifications have been sent by the City, with attention now turning to launching a renter awareness campaign in November. Awareness campaigns and continued outreach as expected to continue into 2022 for both property owners and renters.

#### 1-4 Unit Properties

## Progress to Date (November 2021)

For properties with less than 4 units that cannot be adequately aggregated or anonymized, the PUC requires customer consent before releasing whole building energy use data to third parties, such as property owners.

On October 29<sup>th</sup>, the Utilities filed a Petition with the Public Utilities Commission (Commission) for approval of a process to release whole building data to facilitate local residential rental ordinance compliance, Docket Number G008/M-21-761. The petition also included a letter of support from the City. The PUC issued a comment period: Initial comments close Dec. 8<sup>th</sup> and Reply comments close January 19<sup>th</sup>. Implementation and enforcement of the ordinance for 1-4 unit properties is delayed until the Commission issues a decision on the Utilities' petition.

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

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

Xcel Energy and the City have finalized the Customer User Agreement, which has also been approved by City Council. Xcel Energy and the City are working with program designers to lay out a formal plan for review and implementation. Charging infrastructure will likely be installed at the Aldrich facility, Fridley Water Plant, and Federal Court House Ramp.

### **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. The City received 16 responses, including one from Xcel Energy. The City and Xcel Energy met multiple times to discuss potential renewable options the City is interested in.

A review committee consisting of City staff from Property Services, the Sustainability Division, Councilmember aides, and the Mayor's office reviewed the RFI submissions and used the ideas to develop two Request for Proposals (RFP) for the 2023 and beyond renewable electric resource:

1. An RFP requesting 90% of the City's municipal operations needs to be met by a large generation source located outside the City limits.
2. An RFP requesting 10% of the City's municipal operations needs to be met by one or more generation sources located within City limits.

### Progress to Date (November 2021)

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 reached out to promising proposals for further clarifications and questions.

In March 2021, a total of seven proposals were received for the RFP requesting 8 million annual kWh from renewable resources located inside the City limits, ranging from outright purchase of solar arrays on City buildings, REC contracts, and Power Purchase Agreements (PPA) for electricity generated by solar arrays located on City owned buildings. The City decided to pursue PPA proposals that would save money and require no capital expenditures. After careful review of the three PPA proposals received, the proposal from Sundial Solar was selected to best meet the city objectives.

In September 2021, City Council granted permission for staff to execute a contract with Sundial Solar for the arrays to be built on City owned facilities for total of 5.1 million annual kWh. An additional RFP may be issued in the near future for the remaining City building rooftop sites not utilized as a part of the Sundial Solar contract.

A total of eight proposals were received for the RFP requesting 80 million annual kWh from renewable resources located outside the City limits, ranging from REC contracts, Special Contracts, and Virtual Power Purchase Agreements (VPPA) for electricity generated by solar arrays located outside of the City limits. After reviewing the proposals, the response from US Solar for a REC contract at a proposed fixed price of \$0.003/kWh was [selected](#) as the highest-scored proposal. US Solar's proposal is to build 8 to 20 solar arrays that vary between 5-10 MW each within adjacent counties to the 7 county-metro area and sell the generated electricity directly to Xcel Energy. The renewable energy generated from these US Solar arrays will allow the City of Minneapolis to claim that approximately 90% of our Municipal operations are powered by renewable electricity. The City anticipates needing to partner with Xcel Energy to bring to fruition this concept and has begun engagement with Xcel Energy.

Related to the municipal operations effort, the City released a draft version of its [100% Renewable Electricity Blueprint \(100RE\)](#) which focuses on fulfilling this goal for the entire community. Public comments were welcomed by the City through October 15 and are currently being reviewed as the City prepares a final version of the 100RE to be released in 2022.

Xcel Energy provided written public comments in response to the City's 100% renewable electricity blueprint, recommending options for the City's consideration. Xcel Energy's response is available upon request.

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

### Progress to Date (November 2021)

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

In July of 2021, Xcel Energy received approval from the Commission for the adjusted Renewable Development Fund (RDF) grant contract from the Public Utilities Commission (PUC) that alter's the timeline per the request of the grantee and establish the final grant amount. Xcel Energy has submitted the compliance filing with the grantee that provides additional solar garden detail. Subscribers and participants in the energy efficiency roll-out plan may be identified through the City's 4D program. Xcel Energy will work with the City on the income qualified energy efficiency engagement at the appropriate build stage of the community solar garden, likely in the second or third quarter of 2022.

### **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 submitted a proposal to the PUC for a \$4 million workforce development program aimed at helping Black Indigenous People of Color (BIPOC) and women find training and energy related careers. Xcel Energy met with local organizations and the unions – as well as the City - that offer such programs to determine what should be included in our RFP and program structure.

Additionally, Xcel Energy filed and received approval of a CIP modification to work with the Center for Energy and Environment (CEE) on a \$5.7M proposed energy efficiency workforce training program that will be focused on engaging participants in areas of concentrated poverty, providing training in energy efficiency skills such as energy audits, insulation installation, assisting participants with job placement, or establishing their own business. The program also includes a scholarship fund to assist income qualified students at two- and four-year institutions pursuing careers in energy efficiency. Xcel Energy intends to partner with workforce development experts, community leaders and companies from the region that would eventually hire the CIP-WDE participants.

Xcel Energy and City have worked together on employment communications and outreach, including newsletters and job fairs.

In 2020, CenterPoint Energy launched a new employment opportunity to provide a more accessible career entry pathway into the skilled trades and utility industry. CenterPoint Energy is recruiting cycles of 10 Appliance Generalist candidates to take part in a six-month paid training

### Progress to Date (November 2021)

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.

In 2020, CenterPoint Energy participated in the City of Minneapolis's Trans Equity Summit to talk about CenterPoint Energy career opportunities and customer resources.

In 2021, 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 pilot.

On September 1, CenterPoint Energy and the City of Minneapolis submitted a Petition to Introduce a Tariffed On Bill Pilot Program to the Minnesota Public Utilities Commission (PUC), [Docket No. G-008/M-21-377](#). The PUC provided a notice of comment period: the initial comment period closes January 14th, 2022 and Reply comments close on February 14th, 2022. Topics open for comment include:

1. Should the Commission allow deferred accounting for costs to be incurred to develop and operate the 3-year TOB pilot program as requested by CenterPoint/City? If deferred accounting is approved, who should bear the cost burden?
2. Should the Commission approve the tariff language, agreements, and other exhibits to implement the pilot offered in the proposal?
3. Is the CenterPoint/City TOB pilot proposal a program that (1) is likely to facilitate substantial energy savings, (2) is efficient at delivering energy savings, (3) is operationally sound, and (4) is consistent with Minnesota law?
4. What other factors could be relevant to the Commission's inquiry?



<b>Progress to Date (November 2021)</b>