

Clean Energy Partnership - Meeting Notes

Minneapolis Energy Vision Advisory Council

2021 Q4 Meeting Notes

Microsoft Teams Virtual Meeting

December 6, 2021

4:00 – 6:00 p.m.

Meeting attendees:

EVAC members present: Becky Olson (Co-chair); Patty O’Keefe (Co-chair); Rick Dallmeyer; Timothy DenHerder-Thomas; John Farrell; Heidi Hamilton; Leah Hiniker; Mauricio Leon; Marcus Mills; Jamez Staples; Margaret Cherne-Hendrick; Elizabeth Turner; Ansha Zaman.

Staff/Guests present: Jennifer Burks, City of Minneapolis; Peter Ebnet, City of Minneapolis; Patrick Hanlon, City of Minneapolis; Kim Havey, City of Minneapolis; Luke Hollenkamp, City of Minneapolis; Emma Schoppe, CenterPoint Energy; Al Swintek, CenterPoint Energy; Sara Barrow, Xcel Energy; Dan King, Xcel Energy; Nick Martin, Xcel Energy; Lee Samuelson, Community Power; Katie Jones, CEE; Molly Smith, CEE; Beth Tomlinson, Stantec; Natalie Townsend, Fresh Energy.

1. Welcome, Introductions, and Meeting Protocol

Roll was called and meeting instructions for Microsoft Teams relayed.

2. Review and Approve Agenda and Minutes

Becky Olson asked for a motion to adopt the Q3 meeting minutes and the Q4 meeting agenda. Both were MOVED and both motions CARRIED.

3. Board member changes for the City for 2022-2023

Luke Hollenkamp provided an update that due to results of the recent municipal elections Council Members Gordon, Schroeder, and Fletcher will not be Board members for the City after their Council terms expire at the end of the year. New Board members representing the City Council will be determined in early January by the City Council. Additionally, the interim City Coordinator may assume one of the City’s Board seats, as it has traditionally been reserved for the City Coordinator. Mayor Frey, having won reelection, will continue to serve on the Board.

An EVAC member asked if the use of Robert's Rules of Order was necessary to use in EVAC meetings. Staff clarified that Robert's Rules is not explicitly required by any foundational Partnership documents, but it has generally been adopted by EVAC and the Board to match best practices of the City. However, use of Robert's Rules could be determined by EVAC itself and the Q1 2022 meeting of EVAC may be a good opportunity for the group to explore this.

4. EVAC Appointments for 2022-2023

Luke Hollenkamp presented the roster for 2022-2023 EVAC appointments, 11 of which are returning and four of which are new. "Thanks" were given to the four current EVAC members that will not be continuing into 2022.

An EVAC member asked if relationships between any EVAC member's employer and the Partners' organizations played a role in their appointment. Luke responded that given EVAC members are an advisory group without any fiduciary responsibility, there is no conflict of interest, but it is always encouraged that EVAC members state any conflicts of interest they or their organizations may have during EVAC discussions and proceedings.

5. Board Meeting Report

Patty O'Keefe provided a summary of the Q4 Board Meeting on November 19, 2021 which included upcoming updates to the Minneapolis Climate Action Plan and the City's GHG emissions reduction targets, development of the 2022-2023 Work Plan, Time-of-Rent Energy Disclosure implementation, and Low Income program spending increases and program modifications by the utilities.

6. 2022-2023 Work Plan Update

The Planning Team [presented](#) (slides 3-12) an update regarding the Partnership status in development of the next two-year workplan.

EVAC members made the following comments:

- How is CenterPoint Energy changing their business model? Emma Schoppe replied that the business model isn't really changing given that CenterPoint does not make money on how much gas they sell, instead, they make money on the transport of the gas. Also, CenterPoint receives a financial incentive to deliver gas savings through its energy efficiency programs.
- What is the work ahead for *Resilient Minneapolis* in the next work plan and how does it relate to the City's 30% local renewable goal? Dan King responded that these projects are not yet approved by the PUC and much work still needs to be done after approval. The hope is that this creates another model for distributed solar. Nick Martin added that

between the three sites it is 1.5-2.0 MW of solar. Kim Havey added that the City enterprise needs 60-70 MW for the municipal operations, prior to future electrification.

- Does the local solar activity help actually install solar or primarily remove barriers? Luke responded that the City sees a lot of demand for solar and wants to see increased incentives to realize that demand. The City is also installing solar on their municipal buildings and will try to build out all of their rooftops.
- Why is Xcel's electrification plan not more advanced? Dan King responded that under NGIA Xcel can only propose fuel switching where they are the gas utility. What has been presented is not a complete summary of a utility's electrification plan, but rather what has been proposed from one partner to another.
- Is the district energy pilot all electric or combined? Emma said it is not specified in the legislation and CenterPoint is open to suggestions. [Post meeting clarification: NGIA defines 'district energy' as a heating or cooling system that is solar thermal powered or uses the constant temperature of the earth or underground aquifers as a thermal exchange medium to heat or cool multiple buildings connected through a piping network.] Luke said the City's preference is that new district systems be all electric, but decarbonizing existing district systems will probably require a combined approach. Existing systems have a large amount of GHG emissions attached to them, so decarbonizing those has a very large impact for the buildings served by them.
- Who is calculating the GHG emissions reduction for what is being proposed? Luke responded that many of the concepts are in the conceptual phase - as they are further developed they can be better calculated. However, some activities will not be able to be modeled, such as the impact of joint lobbying for increased incentives. Emma said the natural gas reduction goal is based off of a CIP 3-year average and the regulatory process that dictates energy efficiency assumptions. GHG reductions coming from the NGIA will be developed next year as part of a stakeholder process and then a regulatory process.

John Farrell presented [a memo](#) by an EVAC subcommittee that met twice and focused their conversations around the three stated priorities of the City for the next work plan. The group focused on if a goal had enough definition, and what short term goals may help achieve the larger goal. There was a lot of overlap between the memo's proposed ideas and those presented by the Partners earlier, particularly between the City and CenterPoint. Patty added that regardless of the Partnership's priorities and activities, three very important components are: 1) financing tools that maintain affordability, particularly for low income and BIPOC customers, 2) promoting equity and reduce burdens on marginalized communities, and 3) maximizing workforce opportunity, particularly for BIPOC communities.

Luke commented that the Mayor's office is particularly interested in residential energy efficiency and retrofits, due to wanting to address equity and creating other important co-

benefits that come along with weatherization, and reducing gas combustion in the home to benefit indoor air quality.

Patrick Hanlon suggested that Isaac Evans be brought into these conversations due to the Health Department's many successful programs and initiatives that are related.

EVAC members made the following comments:

- Any discussions on assistance upgrading electrical panels? Luke responded that the City is thinking about this too, and would love to see a program developed that can handle all of a home's electrification projects, that can think through and include things like panel upgrades so that a homeowners doesn't have to act as their own general contractor and figure it out.
- It would be helpful to know the average cost of each of these programs to residents, because at the end of the day they are being paid for by people struggling with an increasingly expensive city.
- There seems to be a focus on a lot of pilot projects, what is the role of larger, scalable programs and policies that get the City to where we need to be by 2030? Luke responded that there is not much more city policy potential, due to energy code being a state matter, not local. Thus, we are left more with programming options, and the utilities have more flexibility regarding pilots, which hopefully can be scaled up in the future. But we need those pilots to quickly scale up to meet our goals. Emma responded that scalability is a key criterion in developing and proposing a pilot. Dan responded that the hope is that the pilots can be spun up and expanded, and that there are also other programs and initiatives outside the Partnership that can contribute to the City's goals and all customers.
- I want to see Partnership priorities and strategies on how to undergo the gas transition without effectively raising rates, which may result from less gas use and the same infrastructure costs. I want to see vision from the Partners on how this gas transition will occur equitably. Emma responded that CenterPoint has been a part of these conversations, including the G21 conversation and the PUC's gas futures docket, and have made a lot of progress. CenterPoint is also concerned about the risk of stranded assets in the transition, ensuring it is cost sensible. Emma encouraged EVAC members to be engaged in these other stakeholder processes and she will help make those connections.
- There recently was an article that CenterPoint is setting aside \$16 billion for gas infrastructure over the next decade, so the gas transition is a tension point and EVAC is going to need to be more comfortable discussing these difficult conversations.

7. Community Voices Discussion Update

Patty updated that the working group met with Dan, Emma, and Luke to discuss how to do community engagement in 2022, particularly around the Work Plan, NGIA implementation, and

ECO Act implementation. It would be beneficial if EVAC had representation in the NGIA and ECO Act implementation processes, to help ask a list equity questions that was created. Emma and Nick Martin provided summaries of the current implementation status and future phases of NGIA and the ECO Act. Margaret Cherne-Hendrick stated that she will be attending many of the upcoming NGIA meetings discussed and can liaise with EVAC. Jamez Staples volunteered that he would look at his availability for these meetings as well.

The working group will focus at their next meeting on putting together a draft community engagement plan to be considered for the next work plan, and they will bring a draft for consideration by EVAC at the next meeting.

8. Partner Updates

Kim Havey updated that the City is in the process of bringing on board a facilitation team for the upcoming Climate Action Plan update. A contract will be finalized by the end of the month, to begin 2022 on engagement and outreach, and approval in 2023. EVAC members will be asked to be involved in some of the 2022 sub-groups.

Luke [presented](#) (slides 13-16) an update regarding the City's exploration of adopting new "science-based fair share" GHG emissions reduction targets to replace the existing targets that are based on outdated science. CEAC recently recommended to the City that the new Steep Decline S-Curve be adopted by the City, that the City update its Climate Action Plan accordingly, and that CEAC is ready to assist in updating the Climate Action Plan. Due to time, Luke will schedule a follow-up conversation with interested EVAC members on this topic and next steps for EVAC.

Emma updated that ECO Act passage resulted in increasing the low income CIP spending requirement at CenterPoint to now \$6M, compared to \$2.4M annually before the Act. CenterPoint was exceeding spending requirements, spending on average \$4M over the last several years. CenterPoint filed a plan on Nov 1 on how they will meet the new requirement, which now allows up to 15% of spending on health and safety upgrades prior to weatherization. Included are proposed increases to their existing programs, with 2022 as a bridge year to create new programs in 2023. In 2022 CenterPoint can begin using geographic location (such as Green Zones) as automatic qualification for low income programs. Dan stated that the same spending updates apply to Xcel now as well. Xcel focused on the new spending going to new projects, and is hoping to work through the challenges of increased equipment costs.

Meeting Adjourned