Clean Energy Partnership
Q3 Board Meeting
September 23, 2022

Agenda

1. Welcome and Introductions
2. Review and Approve Agenda and Q2 Minutes
3. EVAC Co-Chair Update
4. 2021 Annual Report
5. 2022-2023 Work Plan - Theme 3
6. Partner Updates

EVAC Co-Chair Update

2021 Annual Report

CenterPoint Energy | Minneapolis City of Lakes | Xcel Energy

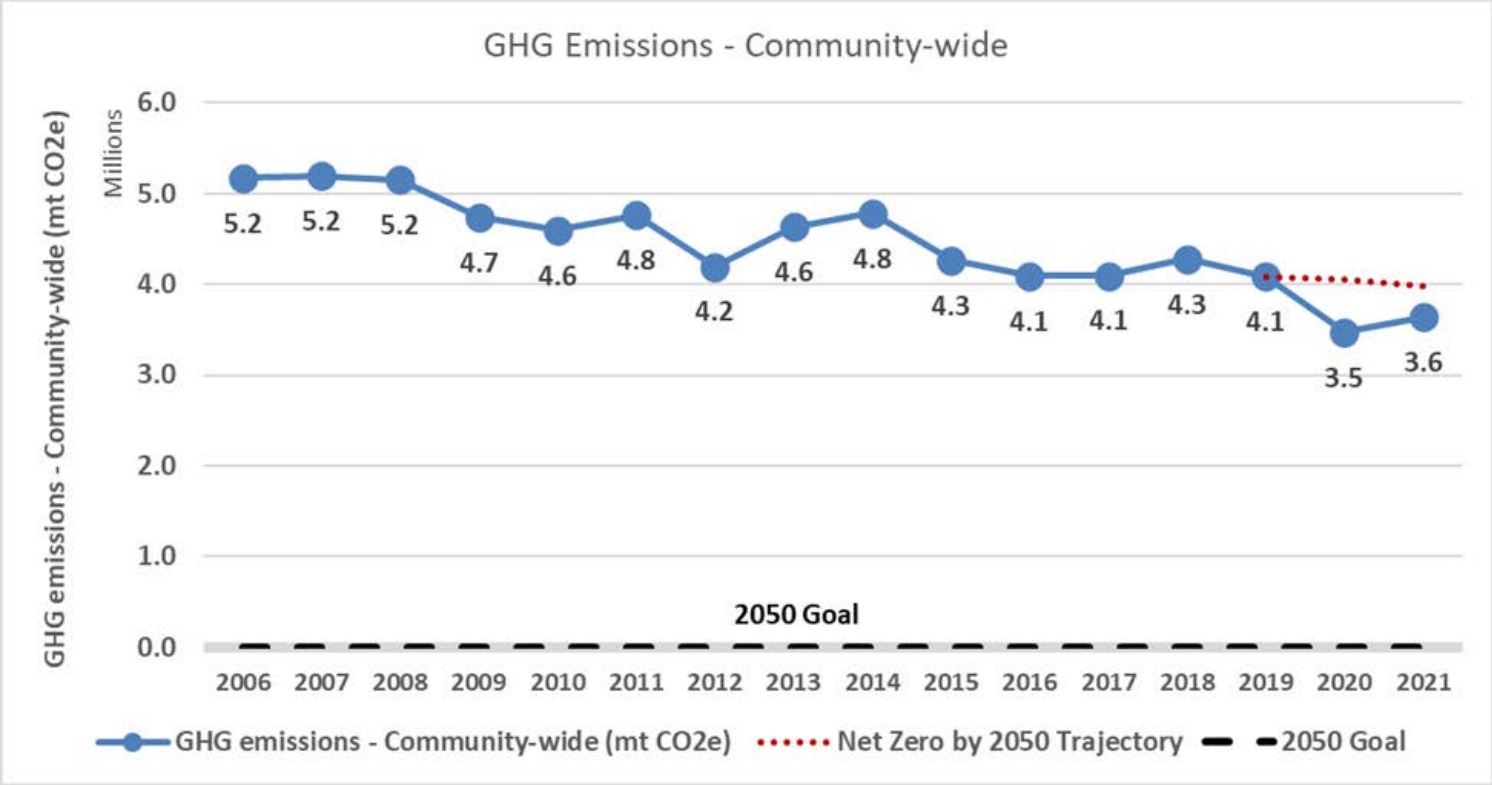
Greenhouse Gas Emissions (Community-wide)

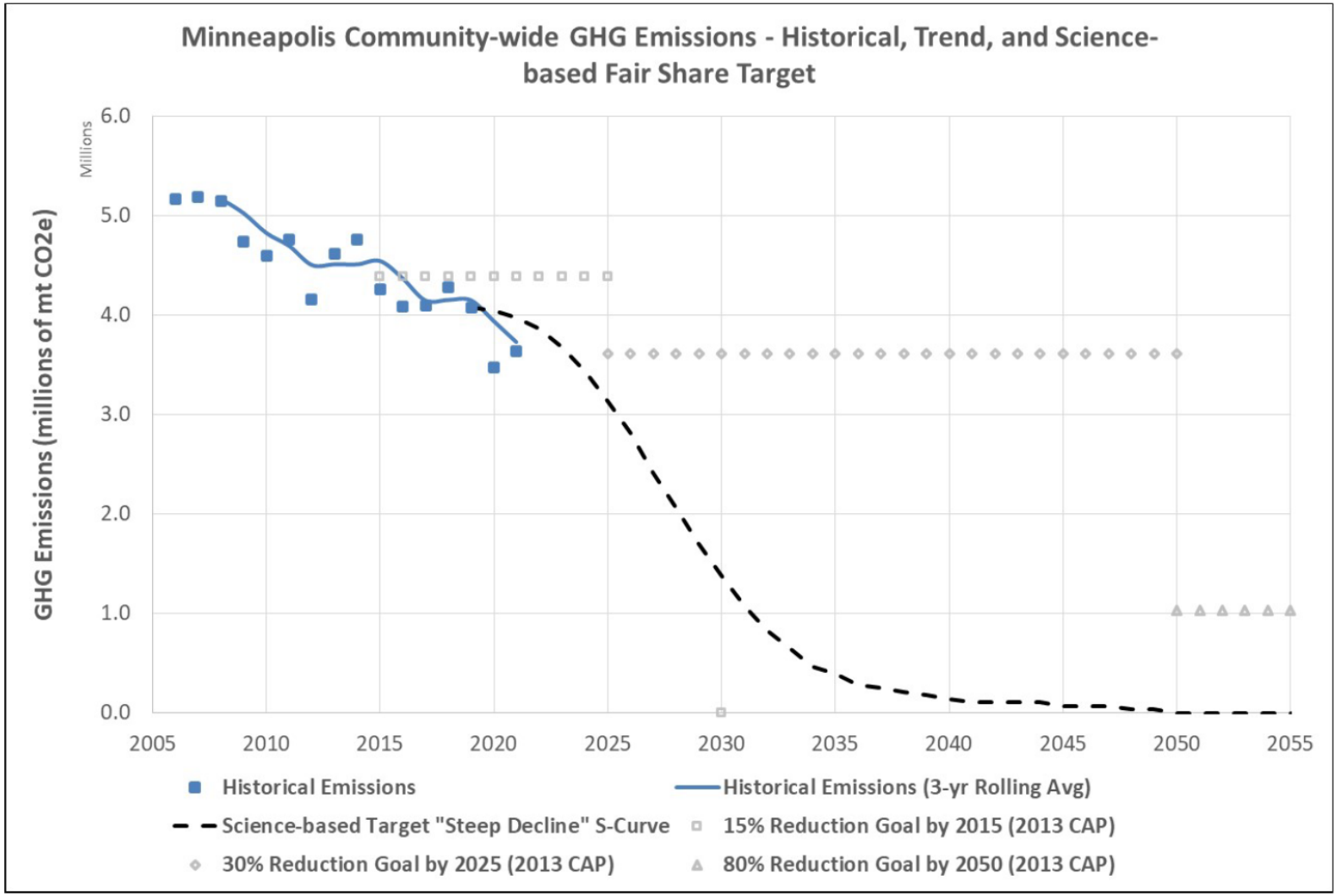
Net-Zero Emissions by 2050:

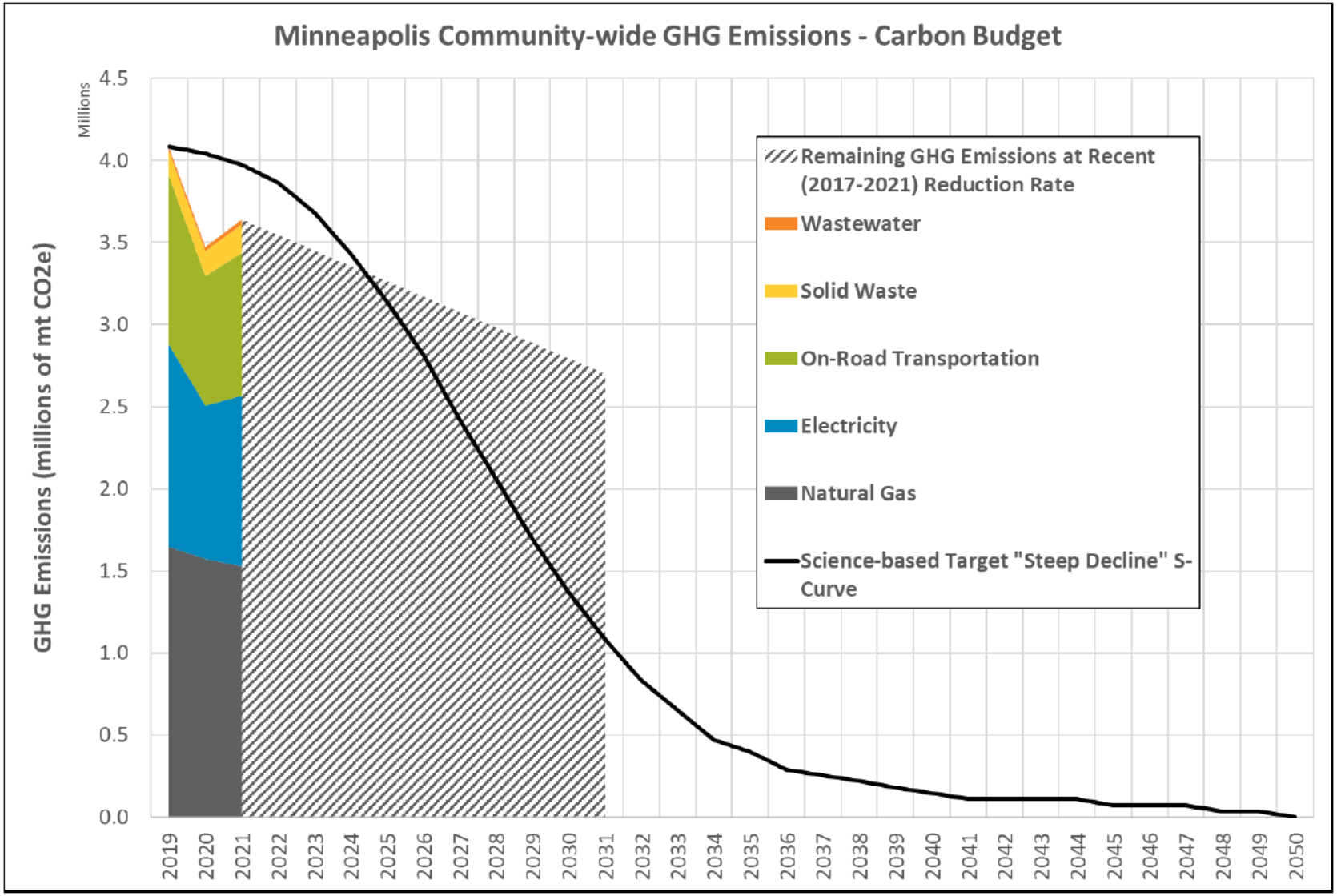
30% reduction since 2006; not on track for 2050 goals

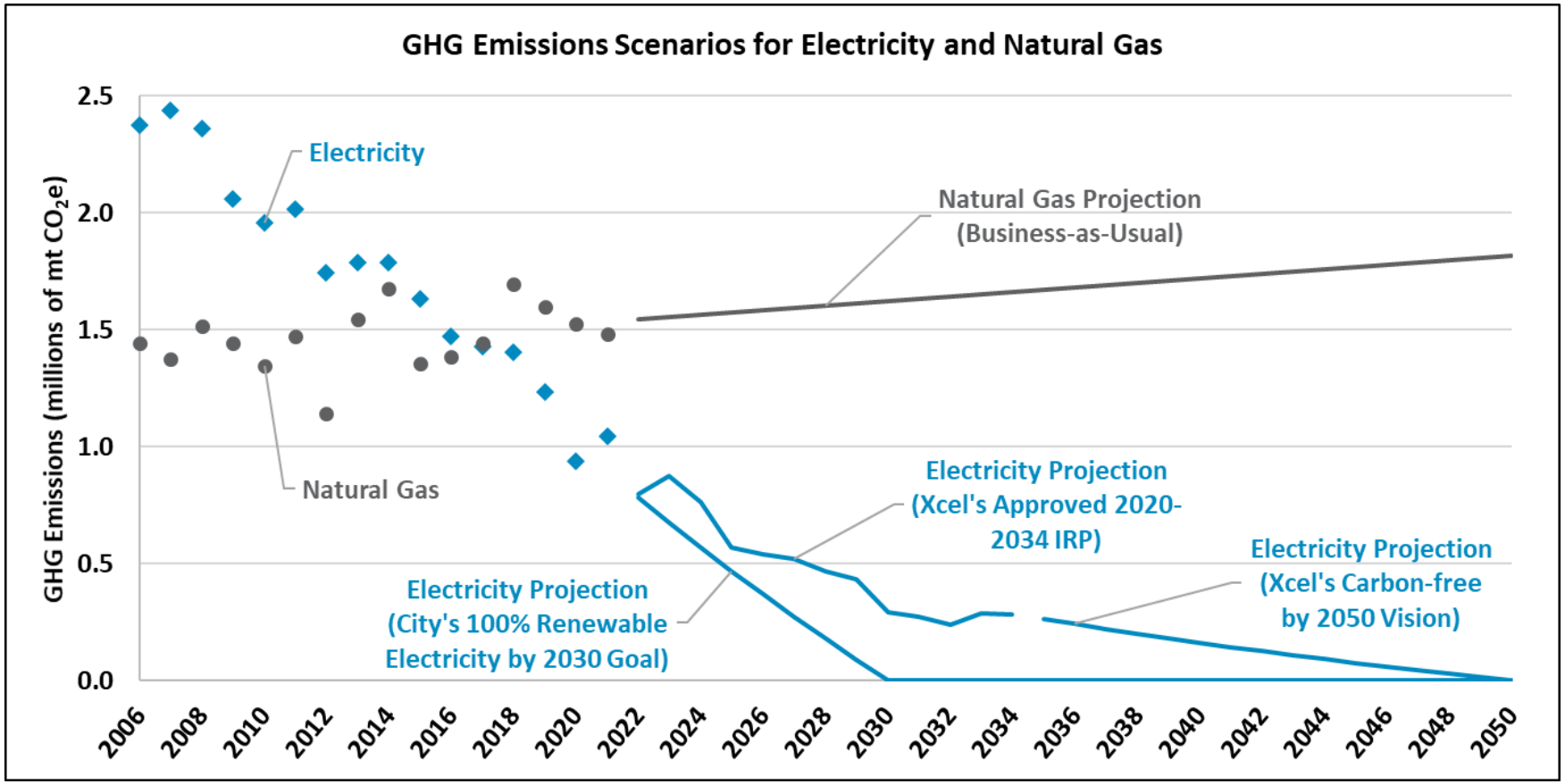
Metric 1

Score: RED




Minneapolis Community-wide GHG Emissions - Historical, Trend, and Science-based Fair Share Target
GHG Emissions (millions of mt CO2e)
Millions
6.0
5.0
4.0
3.0
2.0
1.0
0.0
2005
2010
2015
2020
2025
2030
2035
2040
2045
2050
2055
Historical Emissions
Historical Emissions (3-yr Rolling Avg)
Science-based Target "Steep Decline" S-Curve
15% Reduction Goal by 2015 (2013 CAP)
30% Reduction Goal by 2025 (2013 CAP)
80% Reduction Goal by 2050 (2013 CAP)


Minneapolis Community-wide GHG Emissions - Carbon Budget
GHG Emissions (millions of mt CO2e)
Millions
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
2039
2040
2041
2042
2043
2044
2045
2046
2047
2048
2049
2050
Remaining GHG Emissions at Recent (2017-2021) Reduction Rate
Wastewater
Solid Waste
On-Road Transportation
Electricity
Natural Gas
Science-based Target "Steep Decline" S-Curve


GHG Emissions Scenarios for Electricity and Natural Gas
GHG Emissions (millions of mt CO_2e)
2.5
2.0
1.5
1.0
0.5
0.0
Electricity
Natural Gas
Natural Gas Projection (Business-as-Usual)
Electricity Projection (Xcel's Approved 2020-2034 IRP)
Electricity Projection (Xcel's Carbon-free by 2050 Vision)
Electricity Projection (City's 100% Renewable Electricity by 2030 Goal)
2006
2008
2010
2012
2014
2016
2018
2020
2022
2024
2026
2028
2030
2032
2034
2036
2038
2040
2042
2044
2046
2048
2050

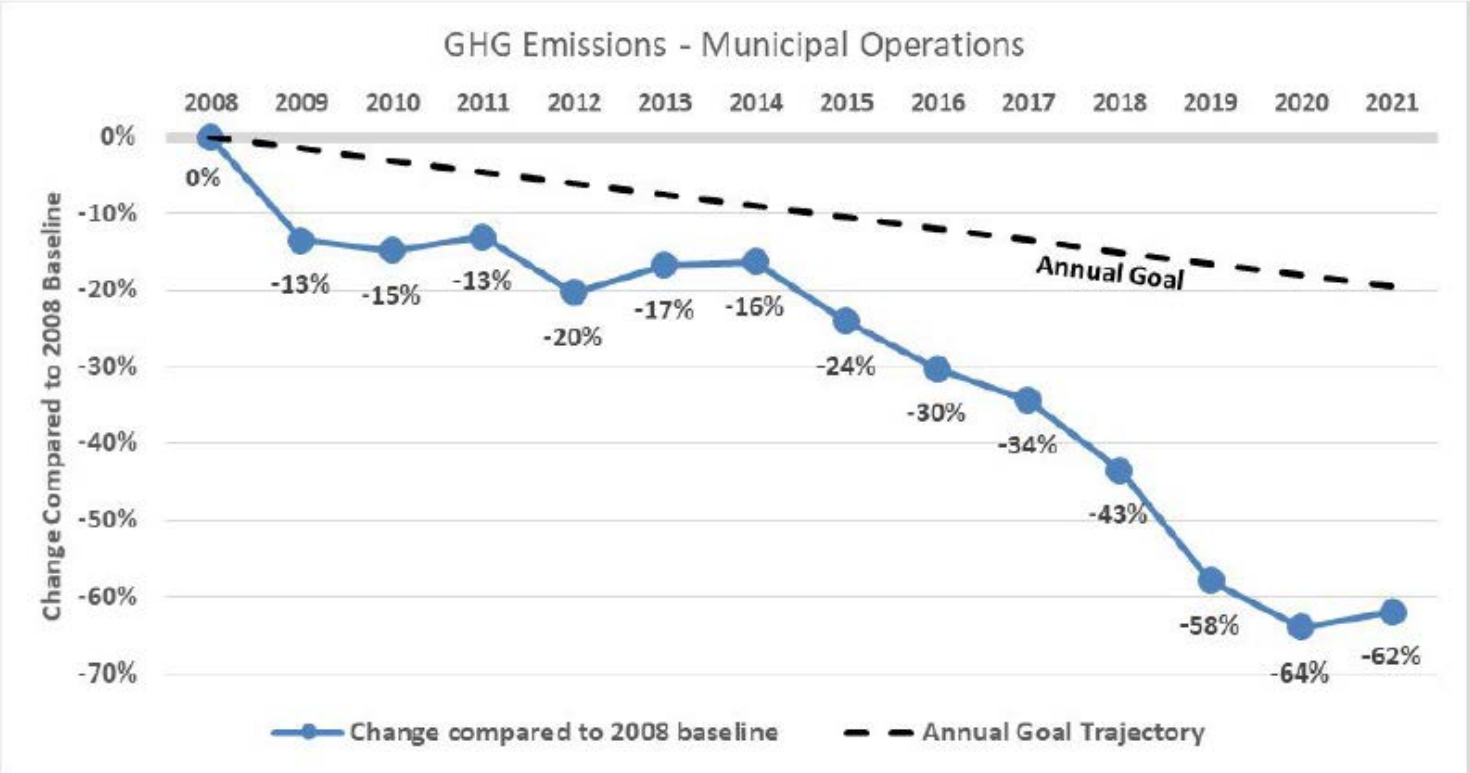
Greenhouse Gas Emissions (Municipal Operations)

GHG reduction goal of 1.5% annually:

62% reduction since 2008 and on track

Metric 2

Score: GREEN



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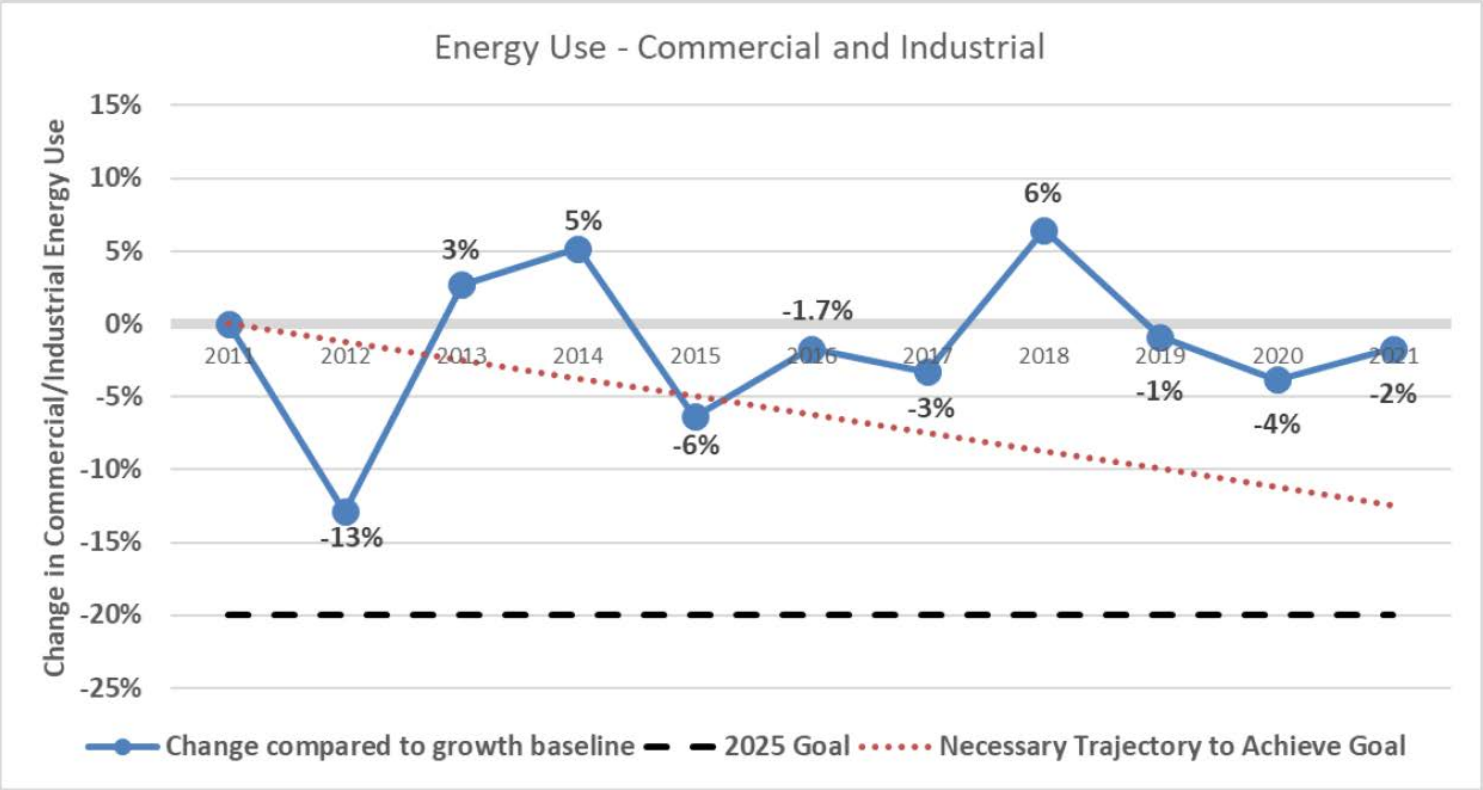
Energy Use (Commercial and Industrial)

20% energy consumption reduction by 2025:

2% decrease compared to growth baseline; not on track

Metric 4

Score: RED



CenterPoint Energy | Minneapolis City of Lakes | Xcel Energy

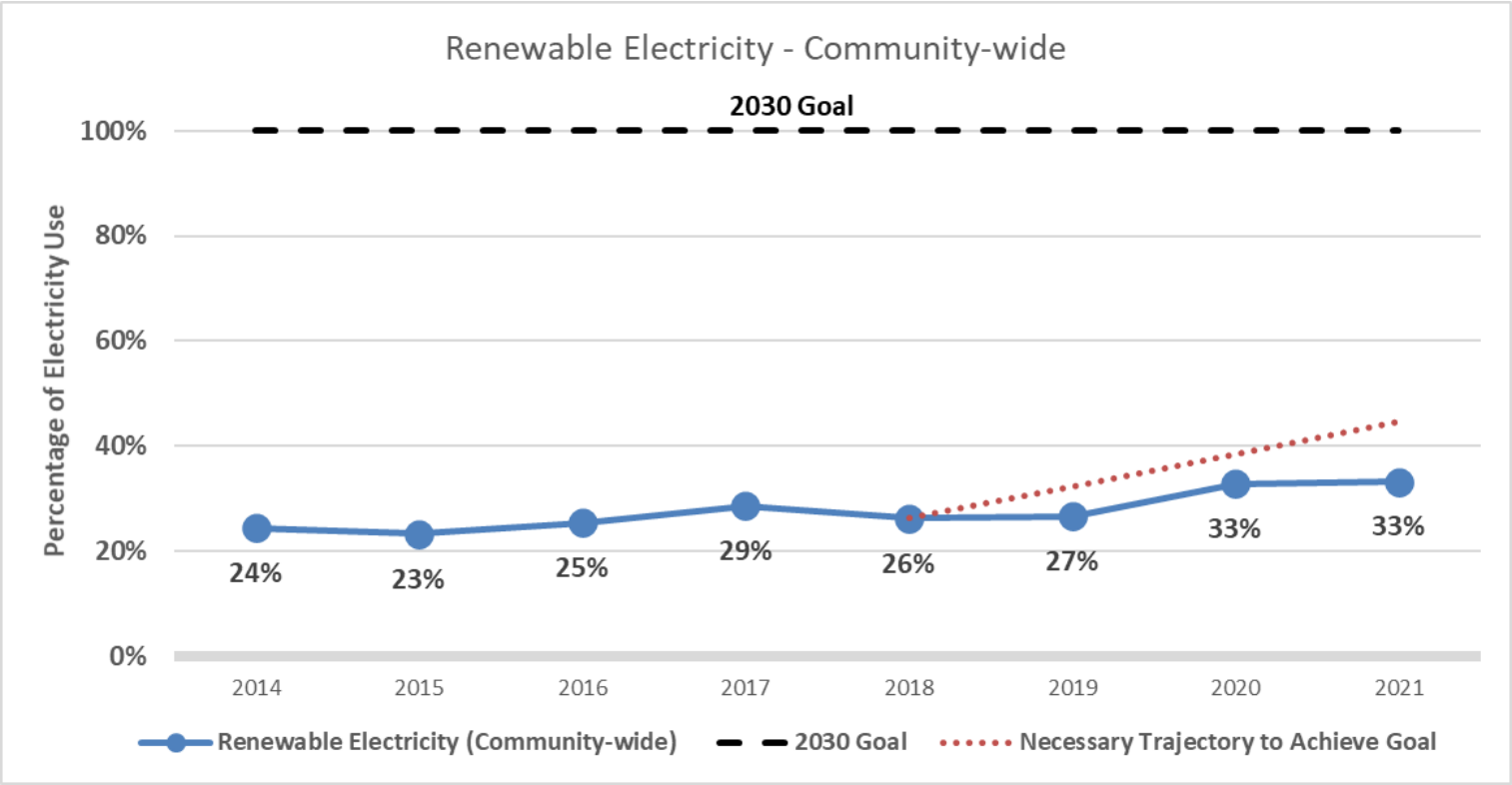
Renewable Electricity (Community-wide)

100% of renewable electricity use by 2030:

33% in 2021 and not on track

Metric 5

Score: RED



CenterPoint Energy | Minneapolis City of Lakes | Xcel Energy

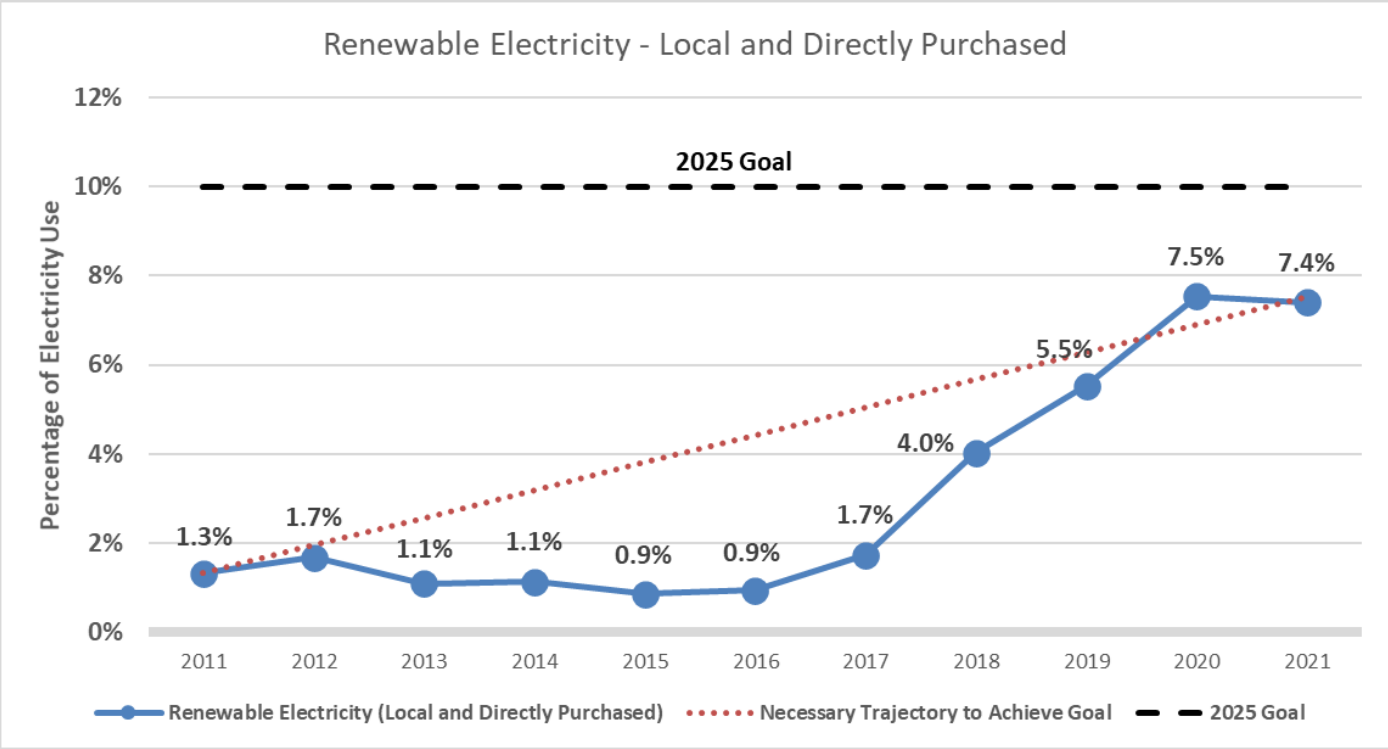
Renewable Electricity (Local and Directly Purchased)

10% of renewable electricity use by 2025:

7.4% in 2021 and on track

Metric 7

Score: GREEN



2022-2023 Work Plan – Theme 3

Impactful Reductions of Natural Gas Use in the Commercial/Industrial Sector

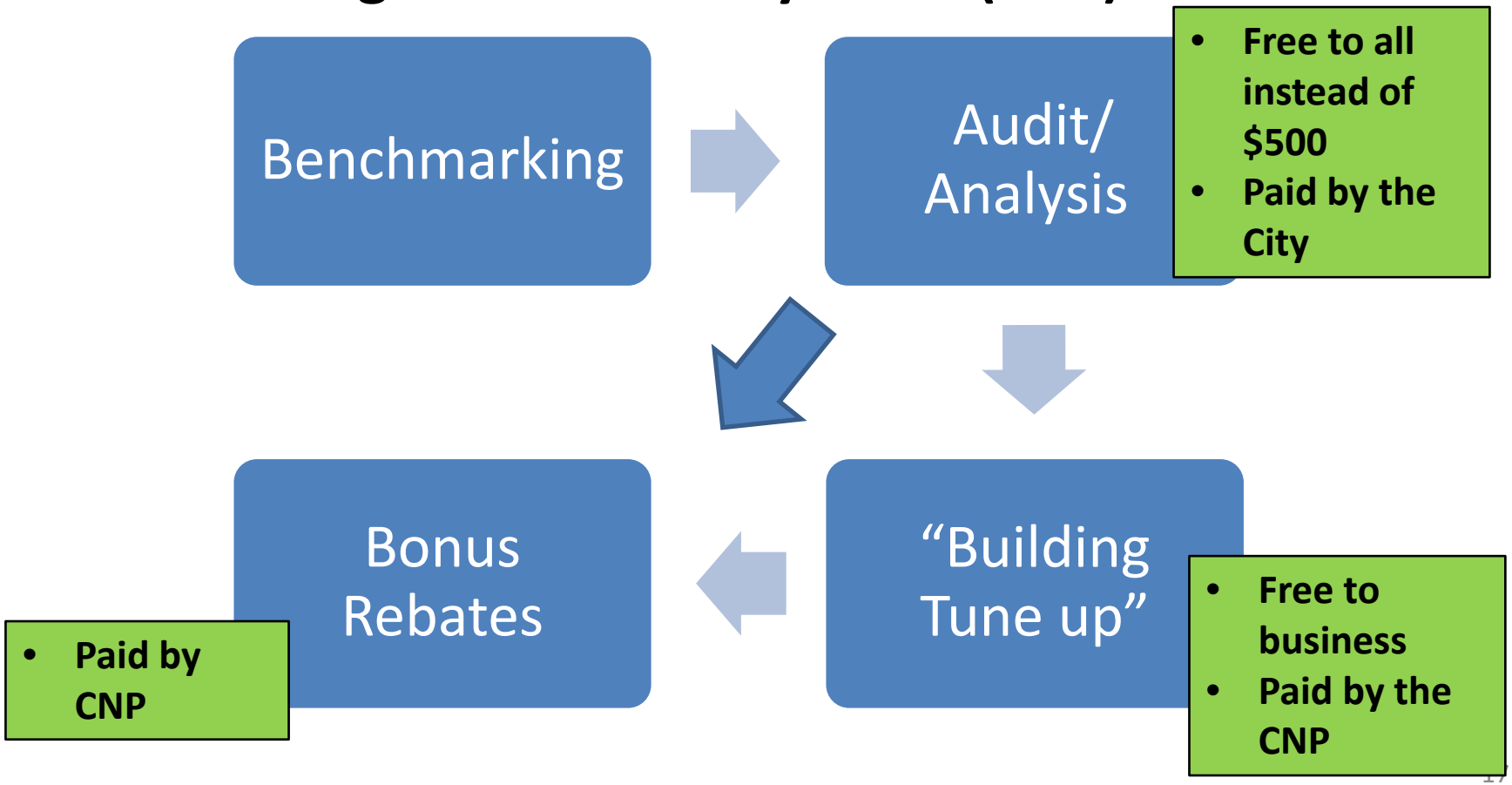
Overview of Changes to Theme 3

- Commitment to increase C/I energy savings by at least 25%
- Creation of the New Normal Campaign
  - Prioritization of commercial properties participating in the City's Benchmarking program (approximately 350-360 properties)
- Additional description about work with large Minneapolis C/I customer

The New Normal Campaign: leads properties along a pathway of energy saving services

- All Benchmarked commercial properties eligible for CIP can receive a City-funded audit/analysis
  - Change from lowest performing 25%
- New CNP offering: “building tune up”
  - Free to properties who have audit/analysis
- Triple rebates
  - For properties completing Campaign

Pathway: Benchmarked Buildings with Building Automation Systems (BAS)



Pathway: Benchmarked Buildings without BAS

Benchmarking

Audit/ Analysis

- Free to all instead of $500
- Paid by the City

Bonus Rebates

- Free to business
- Paid by the CNP

- Note for both pathways: potential opportunity with Green Cost Share program

2022-2023 Work Plan – Theme 3
Overview of Text Adjustments

Theme 3: IMPACTFUL REDUCTIONS IN COMMERCIAL AND INDUSTRIAL BUILDING GAS USE

Summary: Increase existing efforts and launch new ones to accelerate GHG reduction from gas usage in the C/I sectors, the largest user of energy in Minneapolis and therefore the largest emitting fuel source in the City.

Lead Facilitator: CenterPoint Energy

Activities:

A. **Leverage Existing Partnership Resources**: CenterPoint and the City commit to increase participation and energy savings through CIP and decrease GHG emissions from C/I buildings within the City. The additional action supports Activity A rather than being a separate initiative.

B. **New Electrification and Decarbonization Opportunities**: CenterPoint will partner with Hennepin County to develop, evaluate, and consider opportunities to decarbonize their downtown district energy center (adjacent to US Bank Stadium).

~~C. **TBD** *for Q3 Board Meeting: Additional action on GHG reductions led by CenterPoint*~~

Activities:

A. Leverage Existing Partnership Resources: CenterPoint and the City commit to increase participation and energy savings through CIP and decrease GHG emissions from C/I buildings within the City. For 2023, CenterPoint commits to achieve an increase of at least 25% in C/I CIP energy savings, equivalent to 497,768 Dth or 26,337 MT CO_2e emissions avoided.

a. **Develop and implement a collaborative, comprehensive campaign** leading C/I properties along **a pathway of energy savings services**. Given the substantial, lasting impact the pandemic has had on businesses, and the less-occupied buildings in which they function, this "New Normal" Campaign develops a framework for energy analysis and system-focused recommissioning along with prescriptive measures encouraged by offering triple bonus rebates for C/I buildings in Minneapolis…

A. Leverage Existing Partnership Resources

b. Identify and **commit to an intensive, multi-year effort** with a Minneapolis C/I customer with natural gas usage of more than 150,000 Dth annually. The program is a **holistic approach to energy management and partnering** to help identify opportunities for improving the site's business practices associated with their Corporate Environmental, Social, and Governance (ESGs) goals… CenterPoint Energy aims to **incorporate learnings from this project as it scales** up future business partnerships around achieving shared sustainability goals.

Activities:

B. New Electrification and Decarbonization Opportunities: CenterPoint will partner with Hennepin County to develop, evaluate, and consider opportunities to decarbonize their downtown district energy center (adjacent to US Bank Stadium).

a. District Energy in Minneapolis: CenterPoint will partner with Hennepin County and the City of Minneapolis to **develop, evaluate, and consider opportunities to decarbonize** their downtown district energy center. As a first step, CenterPoint Energy anticipates **providing funding support** to Hennepin County-led efforts to identify and consider decarbonization strategies.

b. CenterPoint Energy will also use the PUC-established carbon accounting and cost-benefit frameworks and a stakeholder engagement process to **vet potential District Energy pilot(s)** located in Minneapolis to include in the Company's **first Innovation Plan** anticipated in Q2 2023.

Partner Updates

Adjourn

Next Board Meeting
Q4 2022