

**Minneapolis Clean Energy Partnership
BOARD MEETING**

Minneapolis Public Service Building

Friday, September 23, 2022

2:00 – 3:30 p.m.

2022 Q3 Meeting Notes

Board members present: Mayor Jacob Frey (Chair), Council Member Lisa Goodman, Council Member Aisha Chughtai, City Coordinator Heather Johnston; Bria Shea (Vice Chair) and John Marshall from Xcel Energy; Todd Berreman and Christe Singleton from CenterPoint Energy.

City of Minneapolis Staff: Kim Havey, Bjorn Olson, Peter Ebnet, Patrick Hanlon, Chris Droske, Zoe Bourgerie, LyLy Vang-Yang.

Xcel Energy Staff: Chris Clark (President, Xcel Energy Minnesota, North Dakota, South Dakota), Dan King, Suzanne Murphy.

CenterPoint Energy Staff: Kat Knudson, Al Swintek.

- **Guests present:** Kyle Samejima (Minneapolis Climate Action), Emile Bouvier (EcoFaith network of the ELCA Minneapolis Area Synod), Rich Hollegue (EcoFaith network of the ELCA Minneapolis Area Synod), Jack Hurbanis (EcoFaith network of the ELCA Minneapolis Area Synod), Lacy Tooker-Kirkevold (EcoFaith network of the ELCA Minneapolis Area Synod), Marcus Mills (EVAC member / Black Vision / Community Power), (Community Power), Karlee Weinmann (Minneapolis Resident)

1. Welcome and Introductions

Mayor Jacob Frey (Chair) called the meeting to order.

Mayor Frey noted the passage of the Inflation Reduction Act and the associated large investment in climate and clean energy. He called for the partners to double down and stay ahead of the curve.

2. Review and Approve Agenda and Minutes

Mayor Frey (Chair) asked for a motion to approve the agenda, as well as the minutes from the 2022 Q2 CEP Board Meeting. It was MOVED and SECONDED that the [agenda for September 23, 2022 meeting](#) be approved. Motion CARRIED. It was MOVED and SECONDED that the [minutes from July 11, 2022](#) be approved. Motion CARRIED.

3. EVAC Co-Chair Update

Marcus Mills (filling in for EVAC Co-Chair Patty O’Keefe) reported on Energy Vision Advisory Committee (EVAC) activity. At the Q3 meeting EVAC discussed their community engagement plan. They received feedback that the plan as proposed would not be implemented by the partners, but that many of the components of it are embedded in activities the partners are already undertaking (e.g., Minneapolis Climate Equity Plan community engagement). Some

members of EVAC expressed disappointment, but appreciated the consideration by the partners and the efforts at community outreach. EVAC also received a presentation on the 2022-2023 Work Plan. Most of the discussion was on Theme 3. EVAC members expressed the sentiment that these gas reduction activities do not go far enough fast enough.

Marcus Mills was asked for more details on what EVAC would like to see in terms of community engagement. He responded with examples of how to bring in community members and compensate them for providing their perspective on their lived experience to inform the decision being made at the CEP Board level.

Marcus Mill was asked for more details on concerns from EVAC that pathways for commercial and industrial (C&I) customers to go through audits and building tune-ups are not streamlined. He responded that the multiple steps that customers must go through cause difficulty for customers.

4. 2021 Annual Report

Kim Havey, Dan King, and Kat Knudson presented the [2021 Annual Report](#) highlighting progress (or lack of progress) toward the City's climate goals.

Kim presented slides 5 – 9 of the [meeting presentation](#). He noted that the city met its 2025 community wide greenhouse gas (GHG) emissions reduction goal of a 30% reduction since 2006 five years early in 2020 and that reduction was maintained in 2021. He noted that we can't rest on this achievement, but that we should celebrate this success. Kim also presented the city's new science-based, fair share GHG emissions reduction goals. The trend in recent years shows significant reduction, but some questions remain regarding how much of that is related to pandemic impacts.

Kat presented slide 10 noting that the metric is not on track to meet the city's goal for GHG emissions reductions from C&I energy use. This sector is the target of Theme 3 of the 2022-2023 Work Plan.

Dan reiterated the accomplishments of emissions reduction from the electric generation sector from slide 8 and presented slides 11 and 12 on the city's renewable electricity goals. The city is not of track to meet the community wide 100% renewable electricity use by 2030 goal. The system-wide renewable energy delivered from Xcel Energy is planned to increase from 34% in 2021 to ~55% in 2030. The city is on track to meet its goal of 10% local and directly purchased renewable energy by 2025.

CM Goodman asked about the utility scale (not "distributed") solar project planned in Becker MN: How does the large scale solar in Becker help Minneapolis? CM Goodman is still hearing about local interconnection challenges, and she is on a list to get solar [through a City-promoted group purchase program]. She wonders why so much attention is going to Becker rather than Minneapolis.

Chris Clark (President, Xcel Energy Minnesota, North Dakota, South Dakota) responded that Xcel Energy is excited about the project in Becker. Xcel Energy has 3 out of our 4 coal units there that they are working toward shutting down. The City of Becker has a property tax base and a worker base that they want to make sure there is a transition for. This will be the largest solar installation in the state and it allows Xcel Energy to use the valuable interconnection from the coal units. Xcel Energy is also featuring a workforce development program, and the project is close enough that it will draw from the City of Minneapolis for the workforce programs. Xcel Energy wants to make sure this project is well received so that more solar can be developed amid growing challenges with land use concerns.

To the point of distributed solar, the Commission has encouraged Xcel Energy (and Xcel Energy is working to adopt) plans for both utility scale and distributed solar generation. The challenge is to pick up the pace of distributed solar. Chris Clark brought up several areas where work is being done to explore ways to do this. Xcel Energy is working with stakeholders and regulators to explore how investment in the distribution system could be partly socialized rather than charged to the developers, recognizing the resiliency and other benefits to the overall system. Xcel Energy is working to create options in addition to the community solar program that can jumpstart what we are trying to achieve in Minneapolis. Chris Clark noted that the majority of the benefits of the current community solar program go to large customers, and Xcel Energy would like to have the program more focused on true community access to renewable energy with projects located in the city and prioritizing residential customers. Xcel Energy is working with stakeholders and regulators to define an agreed upon level of distributed solar that the system is designed for (that could evolve through time). Xcel Energy is exploring the possibility to particularly incentivize west facing solar in addition to south facing solar. Xcel has also been doing some brainstorming for how to make solar be more like the CIP program [conservation improvement program] so that it is more streamlined for customers.

CM Goodman responded that we should take advantage of the willingness of city residents to jumpstart solar. She also asked about the electrification of buildings and the city fleet and if there is something the utility could do to help the city.

Chris Clark responded that he is very excited about Xcel Energy's own fleet electrification with the nation's first electric bucket truck and its many benefits. There is a lot of skepticism from fleet managers in all kinds of organizations, and this will be a great test of the concept. Xcel Energy will share lessons with others, including Minneapolis, to inform fleet electrification. Xcel Energy is exploring avenues with the Commission and the legislature to do rebates for electric vehicles. There is resistance, but opportunities could arise. Xcel Energy recently made a major transportation electrification filing. Xcel Energy is working to be a solution provider to get an adequate network of chargers to serve all neighborhoods.

CM Goodman expressed appreciation for Chris Clark's presence at the meeting and directly answering the City's questions.

Christe Singleton also responded CM Goodman's question about electrification. CenterPoint Energy is also working on fleet electrification. They are facing supply chain challenges, but they have vehicles on order. CenterPoint is working on a variety of innovative projects. CenterPoint

has a green hydrogen project and is working on several projects in the renewable natural gas (RNG) space. Those projects are supplemental to efforts to continually enhance conservation programs.

Todd Berreman provided an update on the Natural Gas Innovation Act (NGIA) which includes opportunities for electrification, but there are also other technologies included. CenterPoint is in the process of pulling together ideas from stakeholders to file next year. Carbon capture technologies are under consideration for difficult-to-electrify applications.

5. 2022-2023 Work Plan - Review and Approve Theme 3

Kat Knudson provided an overview on the [updated version of the Theme 3 workplan](#). She thanked all those involved from the partners and from EVAC who provided input on the plan. Since the Q2 Board meeting the Theme 3 workplan was updated with a commitment to increase C&I gas savings by 25% over the baseline through 2021. This is a stretch goal, but one that we know is attainable. It depends on some customers moving some big projects forward, but CenterPoint is working to remove barriers. In addition, the New Normal Campaign is included in the Work Plan. This builds a pathway for energy saving services working with the city's benchmarking program. Kat provided an overview of the New Normal campaign in slides 16-18 of the [meeting presentation](#).

CM Chughtai asked about how the work being done with the specific large (unidentified) Minneapolis customer discussed in the plan is different from what CenterPoint is already doing with energy audits.

Todd Berreman responded that CenterPoint does not mean to be secretive, but they do not yet have permission from the customer to share their identity. What is different is that this customer has very specific ESG goals. They have done a very detailed audit to find energy conservation audits. Normally an account manager would work with the customer to identify what opportunities fit within CIP. What is new is that account managers are looking beyond CIP to find other opportunities including electrification, hydrogen, carbon capture, etc.

CM Chughtai asked for clarification how the proposed work with commercial buildings is unique and different from what is done now.

Kat responded that for benchmarked buildings CenterPoint will be doing more direct outreach rather than waiting for vendors to reach out. CenterPoint will do specific marketing to make sure that customers know about this offering. There are new elements to this effort to target smaller buildings that don't currently fit within the recommissioning program.

CM Chughtai expressed appreciation for all who were involved in taking the city's feedback seriously and working to update the Theme 3 Work Plan.

Heather Johnston asked about the capacity to conduct outreach in multiple languages.

Kat responded that multiple languages is one of the efforts to be considered. It is currently done for Spanish, but CenterPoint will look at other languages.

CM Chughtai expressed that, while this Work Plan takes us in the right direction, there is still a long way to go and she hopes that with the next Work Plan the process to get to an agreed upon Plan will go more smoothly.

It was MOVED and SECONDED that the updated version of the Theme 3 be included in the 2022-2023 Work Plan be approved. Motion CARRIED.

6. Partner Updates

Minneapolis Climate Equity Plan - Kim Havey provided an update on the extensive community outreach that has been conducted to inform the Climate Equity Plan. There will be a Steering committee and a set of working groups. The city has a strong partnership with MN350 regarding the People's Climate & Equity Plan.

Inclusive Financing Update – Kim Havey provided an update on inclusive financing that there is a tentative date of October 13 for a hearing on the city and CenterPoint's inclusive financing proposal. Changes have been made to the proposal to address concerns and de-risk the pilot proposal.

CM Goodman asked if CenterPoint is enthusiastic and committed to the proposal.

Christie Singleton responded that CenterPoint is excited and that the two organizations have done a good job taking feedback and making modifications.

Mayor Frey expressed appreciation for the collaboration on the effort.

CenterPoint Energy 2024-2026 Triennial Plan – Todd Berreman gave an update on the triennial planning process. The process has been kicked off in the lead-up to a June 1 2023 filing deadline. New legislation is being carefully considered in this plan to leverage new funding streams. External stakeholder meetings will be held on October 18 and 19.

CenterPoint Energy Innovation Plan – Todd Berreman gave an update on the innovation plan. The plan will be filed in Q2 of 2023. A lot of progress has been made since the last board meeting. Over 100 ideas were submitted from stakeholders. Analysis of those ideas have narrowed it down to a short list of about 30 ideas. The process of engaging stakeholders will continue throughout the process leading up to the filing.

Xcel Energy EV Charging Plan – John Marshall gave an update on the EV filing. A big item in that filing is the proposal for 740 public charging stations throughout the Xcel service territory. This is critical to get ahead of the deployment of electric vehicles to fulfil the need for public charging. Xcel believes it is the right entity to get this infrastructure in place. There is a stakeholder workshop on September 27-28 to talk

through questions regarding this emerging market. The filing includes funding for the Evie car sharing network.

Xcel Energy Equity Stakeholder Advisory Group (ESAG) – John Marshall provided an update on the ESAG. The kick-off meeting was held earlier in the same day as the Board meeting. Center for Economic Inclusion has been hired as the facilitator for a series of about 10 meetings to engage non-traditional stakeholders in the energy space across the collective metro. It will culminate in reports filed with the Commission.

Xcel Energy Power Up RFP – Bria Shea provided an update on this partnership with the Department of Employment and Economic Development (DEED) that was recently approved by the Commission. This is a \$4M program and there is an open RFP for entities who can help us engage with about 150 workers, about half of which would be directed to the Sherco solar program. The rest would go to other energy employment opportunities.

Xcel Energy 2022 Carbon-Free Generation RFP – Bria Shea provided an update on this RFP for almost 1,000 MW of renewables. This RFP goes all the way down to 5 MW systems that would be distribution system connected.

Xcel Energy Sherco Solar Approval – This topic was addressed earlier in the meeting

7. Adjourn

The meeting was adjourned at 3:30 pm.