

**Minneapolis Clean Energy Partnership
BOARD MEETING**

Microsoft Teams

Wednesday, February 22, 2023

2:00 – 3:30 p.m.

2023 Q1 Meeting Notes

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

Board members absent: None

City of Minneapolis Staff: Luke Hollenkamp, Kim Havey, Bjorn Olson, Patrick Hanlon, Chris Droske, Kelly Muellman, Zach Schultz, Stacy Miller, Zoe Bourgerie, Ed Eiffler Jaramillo.

Xcel Energy Staff: Dan King, Chris Clark, Suzanne Murphy, Shawn White, Nick Martin.

CenterPoint Energy Staff: Kat Knudson, Al Swintek, Ethan Warner.

Guests present: Patty O’Keefe (EVAC Co-Chair), Marcus Mills (EVAC Member), Jon Kuskie (EVAC Member), Jack Hurbanis (EcoFaith network of the ELCA Minneapolis Area Synod), Lee Samelson (Community Power), Karlee Weinmann (Minneapolis Resident), Carmen Carruthers (Citizens Utility Board), Kyle Samejima (Minneapolis Climate Action), Brian Krohnke.

1. Welcome and Introductions

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

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 Q4 CEP Board Meeting. It was MOVED and SECONDED that the agenda for February 22, 2023 meeting be approved. Motion CARRIED. It was MOVED and SECONDED that the minutes from December 13, 2022 be approved. Motion CARRIED.

3. *Strategies for Equitable Energy Efficiency Program Design Report Presentation by Twin Cities Energy Efficiency Peer Learning Cohort*

Kelly Muellman (City of Minneapolis) and Carmen Carruthers (Outreach Director of the Citizens Utility Board of Minnesota) [presented \(slides 3-17\)](#) the findings and recommendations from a CARD research study funded by the Department of Commerce and led by the Citizens Utility Board as part of the Twin Cities Energy Efficiency Cohort.

Mayor Frey thanked Kelly and Carmen for the excellent presentation. Kelly confirmed for Mayor Frey that the groups with higher than expected energy burden were also the same groups (Black homeowners in N. Minneapolis and rental property owners in S. Minneapolis with Latinx

renters) that the Cohort focused recommendations on. Mayor Frey supported the recommendation that higher incentive amounts and different outreach tactics are needed for these groups.

Council Member Chughtai: Thank you to Kelly and Carmen for your work and I appreciate your collaborative approach, engagement, and intentionality. I see that the City can in the future better leverage city data and contact information with homeowners and rental property owners to target and promote energy efficiency. If we are going to put the time and resources into that type of data analysis and outreach, we would hope the utilities could offer incentives (rebates) that are a higher and more generous share of an energy efficiency project's incremental cost. Question to the utilities: Can you work to increase the share of a project's incremental cost that is covered by rebates, and also have those rebates upfront, to increase program participation particularly for low- and middle-income housing? I'd also like to know how this conversation can continue and updates can be given to the city.

Todd Berreman: We have low-income programs that cover 100% of projects costs, but we maybe have more work to do for the middle incomes. We are looking at this very closely and at higher incentive levels beyond inflation in our upcoming CIP triennial plans, and this is being informed by stakeholder meetings. We can keep the City informed through close contact with our Partnership staff and will be sure to update the Partnership and EVAC.

Shawn White: We also have had a number of stakeholder meetings and echo Todd's comments.

4. City Recommendations for 2024-2026 CIP Triennial Plans

Stacy Miller (City of Minneapolis) [presented \(slides 20-23\)](#) recommendations from the City of Minneapolis to Xcel Energy and CenterPoint Energy for their respective 2024-2026 Conservation Improvement Program Triennial Plans. Minneapolis has also provided a written memo with [Xcel recommendations](#) and [CenterPoint recommendations](#), including the many elements of the utilities' offerings that the City appreciates and finds really promising.

Council Member Goodman: I appreciate your work and that you involved us council members in this conversation. I also had questions about the utility franchise fee and would like to be involved in future conversations about that. The CenterPoint Builder's Club Incentive bothers me, as does when streets need to be dug up for gas piping increases. This is counter to the federal push toward greater electrification, and CenterPoint at the same time is promoting new uses of gas. When is CenterPoint planning to get out of that business?

Todd Berreman: For builders and developers our main program is through CIP and incentivizes achieving greater than code energy efficiency, and many of these builders have chosen to use gas. The Builder's Club program we have used for a long time, offers very minimal incentives (mostly for water heaters), and allows us to outreach to builders without additional CenterPoint staff. But most of our work is through the high-efficiency building program, which is a much larger percentage of our spending.

Council Member Goodman: Can you commit to stop using the Builders Club program? And are you counseling people via Home Energy Squad on electrification?

Todd Berreman: Home Energy Squad is a joint program with Xcel and includes electric and gas options. With the ECO Act legislation efficient fuel switching options may be one thing out of many recommended to owners. I can't see efficient fuel switching being excluded in the future. The Builders Club program is geared to small residential buildings and doesn't usually include large multifamily. The large apartment building referenced that was related to street work was likely not in the Builders Club program.

Council Member Goodman: Mayor Frey, I'd like to ask Stacy Miller to look at examples across the country of express prohibition of new gas appliances and saying all new development should have only electric appliances. Can we have staff look at that?

Mayor Frey: I agree to having staff research that and you can reach out to City staff on that subject.

5. Partner Updates

Minneapolis - Minneapolis Climate Equity Plan – Kim Havey [presented \(slides 25-28\)](#) an update on the final remaining steps in developing the Plan. Work groups are finalizing their efforts and recommendations, final feedback is being received from community-based groups, a Met Council emissions reduction tool is being analyzed alongside the City's carbon-neutral by 2050 goal and trajectory, the Steering Committee is reviewing work group recommendations and finalizing those for a planned April 19 PHS Committee draft to Council, with a final plan currently scheduled to be presented at the June 10 Community Connections Conference and Green Zones Summit.

Minneapolis – Building Performance Standards Coalition – Kim updated that as a next step of the City's large building energy benchmarking program, the City has joined this Coalition to explore additional incentives and regulatory approaches. This includes partnering with Institute for Market Transformation (IMT) staff and Mitchell Hamline Public Health Law Center to explore a city-plan by 2024 for new policies such as Building Performance Standards.

Xcel Energy - MN Carbon-free by 2040 Legislative Update – John Marshall gave an update on the passage of this law which passed earlier this year. Xcel provided supportive testimony and attended the bill signing. Xcel was pleased to see provisions about reliability and affordability in the legislation. John Marshall also updated that the Carbon-Free Coalition is continuing to do outreach and Xcel is interested in further partnerships. Sara Barrow is leaving Xcel after March 7 and Dan King will thereafter take up leadership work of the Carbon-Free Coalition in addition to the work he does through the Partnership.

Council Member Goodman thanked John, Chris, Suzanne, and Xcel for the extensive communication sent to the City in light of the incoming winter storm, and communication

has really improved a lot and has been very positive. Mayor Frey also echoed that appreciation.

CenterPoint Energy – CIP Planning Update – Todd Berreman gave an update that CenterPoint is continuing to have internal meetings to review the ideas that emerged from the stakeholder meetings and to incorporate changes to the triennial that might address some of those themes. Follow-up meetings will occur for low- and moderate-income stakeholders and general stakeholders through the April and May timeframe.

CenterPoint Energy - Innovation Plan – Todd Berreman also gave an update on the Innovation Plan which will be submitted to the PUC during Q2. Development is occurring for the scopes for 25 potential pilots and finalizing the Innovation Plan Assessment Tool to evaluate the greenhouse gas (GHG) emissions impact and cost-effectiveness. On Friday CenterPoint will have the second public engagement meeting. This will be for all interested parties to review and provide input on pilot descriptions and GHG/cost-benefit analyses. CenterPoint is offering participation stipends to reduce barriers to participation in these meetings. The stipends are available for those representing low income, environmental justice, racial equity, or other perspectives historically underrepresented in energy regulatory proceedings. One organization has applied (and been approved) for a stipend. And the second meeting for regulatory parties to engage in in-depth discussion of regulatory topics will be on March 17th. The third meeting for both groups will be held later this spring focused on the final pilots and final plan.

Council Member Goodman thanked CenterPoint for the tour of their green hydrogen pilot project along the river. It was an impressive tour that she recommends others see and was impressed that a local Minneapolis business was involved in the engineering elements of the project. Heather Johnson also toured the site and echoed her appreciation.

6. Adjourn

The meeting was adjourned at 3:30 p.m.