Minneapolis Clean Energy Partnership

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Help Minneapolis Achieve its Energy Vision

- Minneapolis Climate Action Plan GHG goals:
  - 15% by 2015
  - 30% by 2025
  - 80% by 2050

- Advance equity in infrastructure and environmental benefits

- New Clean Energy Agreements with both utilities
Partnership Structure

• Partnership Board
  – Mayor
  – City Coordinator
  – Two City Council Members
  – Two (each) high-level utility representatives

• Energy Vision Advisory Committee
  – 15 community representatives

• Planning Team
  – Staff from the city, Xcel Energy, CenterPoint Energy
Clean Energy Partnership (CEP) Goals and Strategies

**Goals**
- Increase energy efficiency
- Increase renewable energy
- Develop strong city-utility collaboration

**Strategies**
- Community and stakeholder engagement
- Data and information
- Policy levers
Work Plan 2015-2016

Residential 1-4 Unit
- Pilot Programs
- Solar gardens/renewable programs
- Financing options
- Policy levers
  Ex: disclosure energy bills

Multi-family
- Solar gardens
- Financing options

Large Commercial
- New/coordinated utility programs
- Benchmarking

Small Commercial
- Pilot Programs
- Partners in Energy Program

City Enterprise
- Community Solar Gardens
- Infrastructure Planning and Econ Dev
- LED Street Lighting
- Natural Gas Infrastructure for City fleet
First Annual Report (2015) & Other Activities

- Program participation data by 116 census tracks
- Jointly funding Community Engagement Pilot Project focused on energy efficiency in underserved communities
- Jointly applied for Department of Energy grants and other funds
Next Steps

• Update Work Plan
• Develop performance tracking metrics
• Enhanced outreach and engagement for program delivery - leveraging
• Reviewing applications for next two year term for EVAC
Minneapolis Learnings

- Three large complex organizations
- Transformative / Incremental change
- Resource Intensive
- Public Utilities Commission engagement important
- EVAC is an important driver
- Earliest date of termination notice is January 1, 2019
Utility Perspectives

• Enhanced relationship with our largest municipality in MN
  • Opening the communication channels is important

• Minneapolis is a willing partner in pilot programs
  • Benchmarking Tool – DOE’s Building Data Accelerator
  • Community engagement initiative
Utility Perspectives con’t:

• Targeted efforts to leverage utility/city resources
  • Inserting low flow showerhead and faucet aerator sign up cards into city utility water bills
  • Inserting multi-family program information in multi-family building owner license renewal packets
  • Adding EE program promotional information to Council Member newsletters
  • Developed and sent many joint press releases and social media blasts
Challenges Encountered

• Vocabulary / Culture / Work Style
• New/different groups of stakeholders
• Hopes/Expectations vs Constraints
Regulatory Reality (in MN)

• Utilities have large service areas
• Largest cities are still minority of customers
• Utility programs must be offered to all customers; costs are shared by all customers

• One way through: Local pilots with broader potential
• Home Energy Squad

• Joint gas-electric direct install program (Xcel Energy & CenterPoint Energy)

• ACEEE “Exemplary Program”

• Center for Energy and Environment is implementer

**Question:** How can we drive more whole-house saving measures through this program?
**Standard Process**

1. Schedule home visit
2. Get recommendations for upgrades
3. Choose contractor(s) to do bids
4. Schedule bid(s) with contractor
5. Choose contractor
6. Schedule work

**Pilot Process**

1. Schedule home visit
2. Get proposal for completing work
3. Schedule work
• Pre-agreed on pricing from contractors

• Technicians measure insulation and enter information into iPads

• Bids generated on-site and discussed with customer
• Pilot Experimental Design
  • Additional services in 1,000 Minneapolis homes
  • Non-Minneapolis customers received standard HES visits as control group
  • Planned to run pilot early 2015-2016
  • Additional services cost $295 per HES visit
  • Questions:
    ➢ Are pilot participants more likely to move forward with upgrades?
    ➢ If so, is it enough to justify the incremental expense?
<table>
<thead>
<tr>
<th>Total Participants</th>
<th>Pilot 589</th>
<th>Base HES 1,802</th>
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<tbody>
<tr>
<td>Pursuing Upgrades</td>
<td>91</td>
<td>38</td>
</tr>
<tr>
<td>Conversion Rate (z-stat of difference vs pilot)</td>
<td>15.4% (8.7)</td>
<td>2.1% (8.7)</td>
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- Pilot visits through Nov. 2015
- Additional savings from upgrades appears sufficient to justify additional cost
- Free visits & 0% Financing from City
  - Introduced mid-2015
- Safety
  - 25% of homes had safety concerns
• Pilot services incorporated into 2017-2019 standard program for all residential customers

• Potential model for developing future program innovations
Awards and Recognition

Department of Energy

• Invited to Speak on Clean Energy Partnership
• Award for partnership with Minneapolis on Building Data Accelerator

EPA

• Innovative Partnership

White House/DOE

• Climate Action Champion
Planning Identifies Major Opportunities

Source: Minneapolis Energy Pathways Study (2014)
“Vision without execution is hallucination”

- Thomas Edison
Complimentary City-Utility Roles

City Assets
- Community-based outreach networks
- Leadership, Demonstration, & Motivation
- Regulatory Authority
  - e.g. Energy upgrades
  - e.g. Disclosure and Information
- Skilled residents and businesses
- Funding

Utility Assets
- Technical Resources
- Energy data for planning & tracking metrics
- Existing Programs
- Relationships with large accounts
- State Policy Incentives
- Funding
Lessons on Replicability

• One size doesn’t necessarily fit all
• Partnerships can be process intensive on all sides
• Benefits from a strong DSM program portfolio & desire to access new markets
• Successful engagement of local govt in regulatory process
• Consider the DSM regulatory regime, such as how savings are counted
• “Distribution edge” investments are a window of opportunity
For more information please visit:

www.mplscleanenergypartnership.org