



Developing Momentum for Clean Energy Policy

Moderated by:

Caroline Keicher
IMT



**Better
Buildings®**
U.S. DEPARTMENT OF ENERGY

Developing Momentum for Clean Energy Policy

Brendon Slotterback
City of Minneapolis



Minneapolis Clean Energy Partnership

Advancing Minneapolis' Climate Goals

5/27/2015

Brendon Slotterback, AICP, LEED AP



Minneapolis as a climate leader

- 1993:** Adopted Minneapolis/Saint Paul CO₂ Reduction Project
- 2003:** Greenhouse gas reduction target in Sustainability Indicators
- 2005:** Mayor Rybak signs US Conference of Mayors Climate Protection Agreement
- 2007:** State of Minnesota Next Generation Energy Act
- 2008:** GHG integrated into the Minneapolis Comprehensive Plan & GHG inventory updated
- 2010:** City Council adopted Goals & Strategic Directions, including an Eco-Focused City
- 2012:** City Council updated greenhouse gas emissions target in Sustainability Indicators
- 2013:** Climate Action Plan adopted by the City Council
- 2014:** Minneapolis designated a Climate Action Champion by the Obama Administration



Xcel Energy and Minneapolis: A long history of success...

- Xcel Energy and the City of Minneapolis have been successfully partnering for more than a century
- Converting the Riverside coal plant to natural gas in 2009 reduced carbon emissions by 90%
- Over three decades of investment and \$30 million in energy efficiency programs has saved over 285 million kwh
- Minneapolis customers have eliminated more than 54 million pounds of carbon emissions each year through Xcel Energy's energy efficiency programs

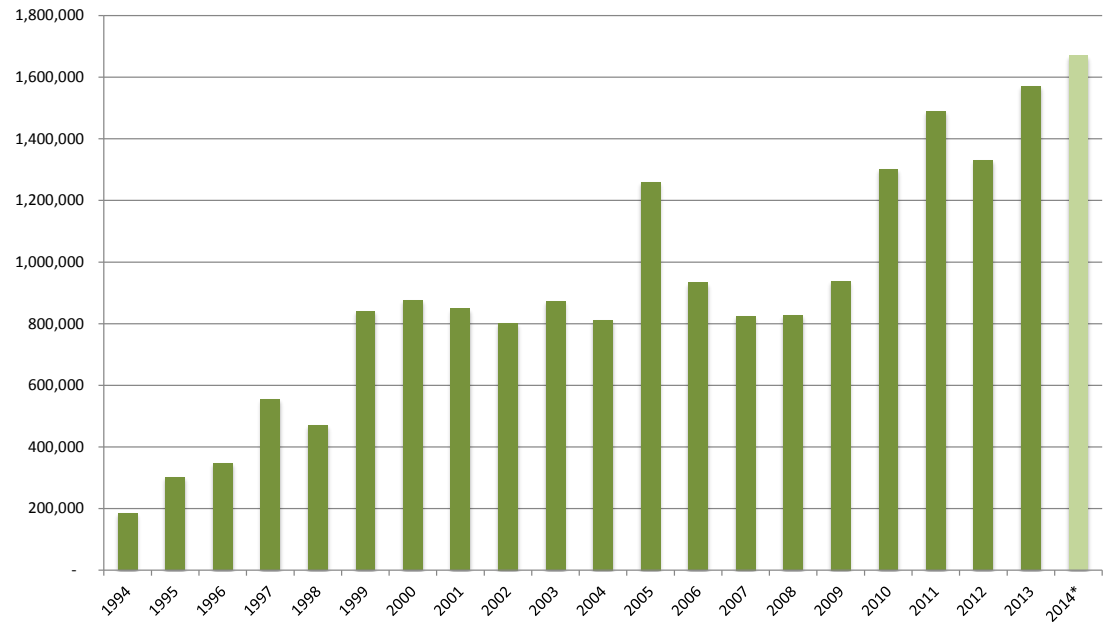




CenterPoint Energy **Serving Minneapolis since 1870**

- Recognized as a national leader in natural gas energy efficiency
- Greater than a 90% increase in energy savings from 2007 - 2013
- CIP Programs recognized as “exemplary” by national efficiency experts
- Continually looking for ways to improve programs and achieve additional cost-effective energy savings

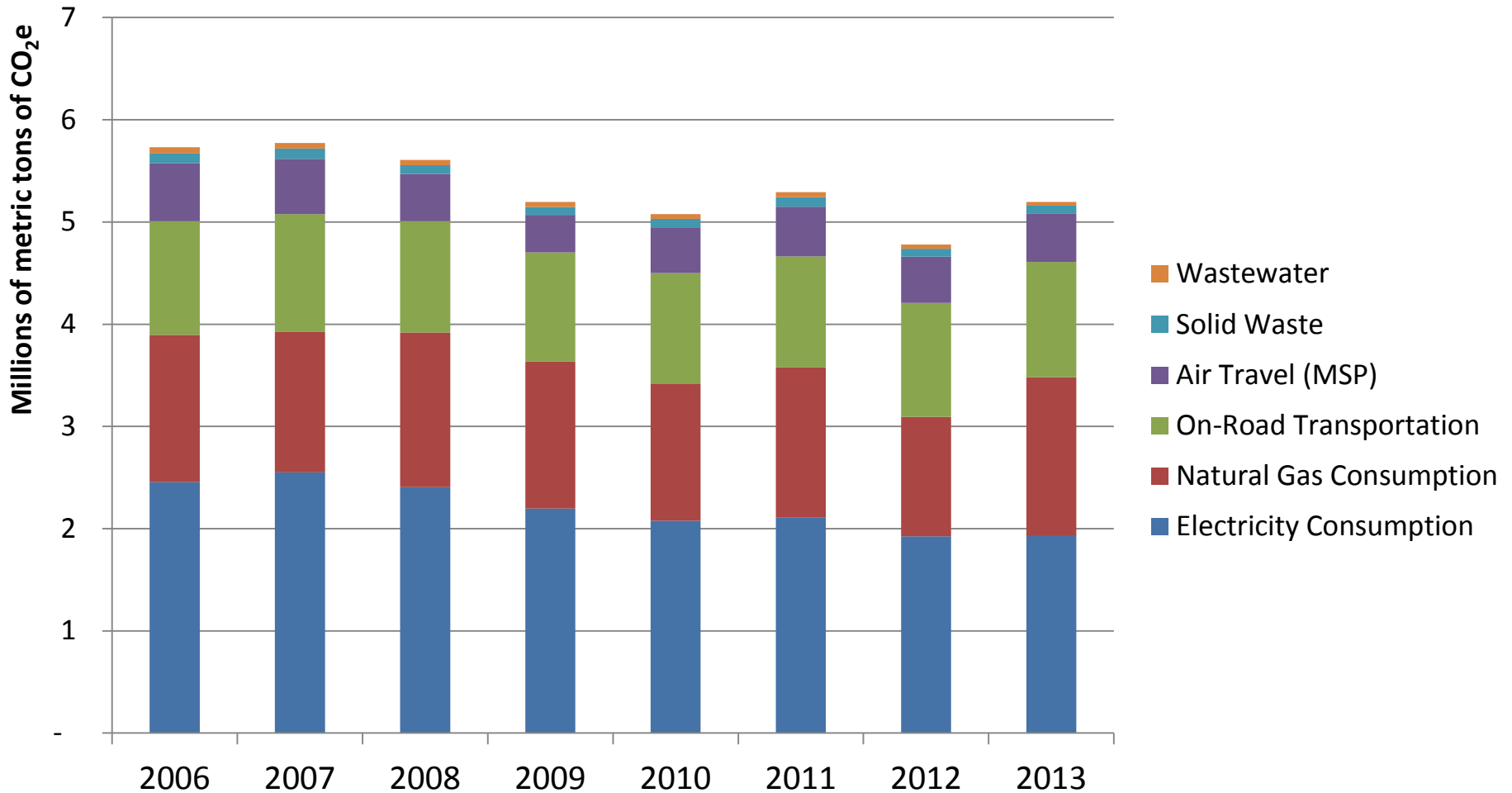
CIP Energy Savings (MCF)



***Estimated Annual Energy Savings in
2014 Equivalent to over 16,000 Homes***

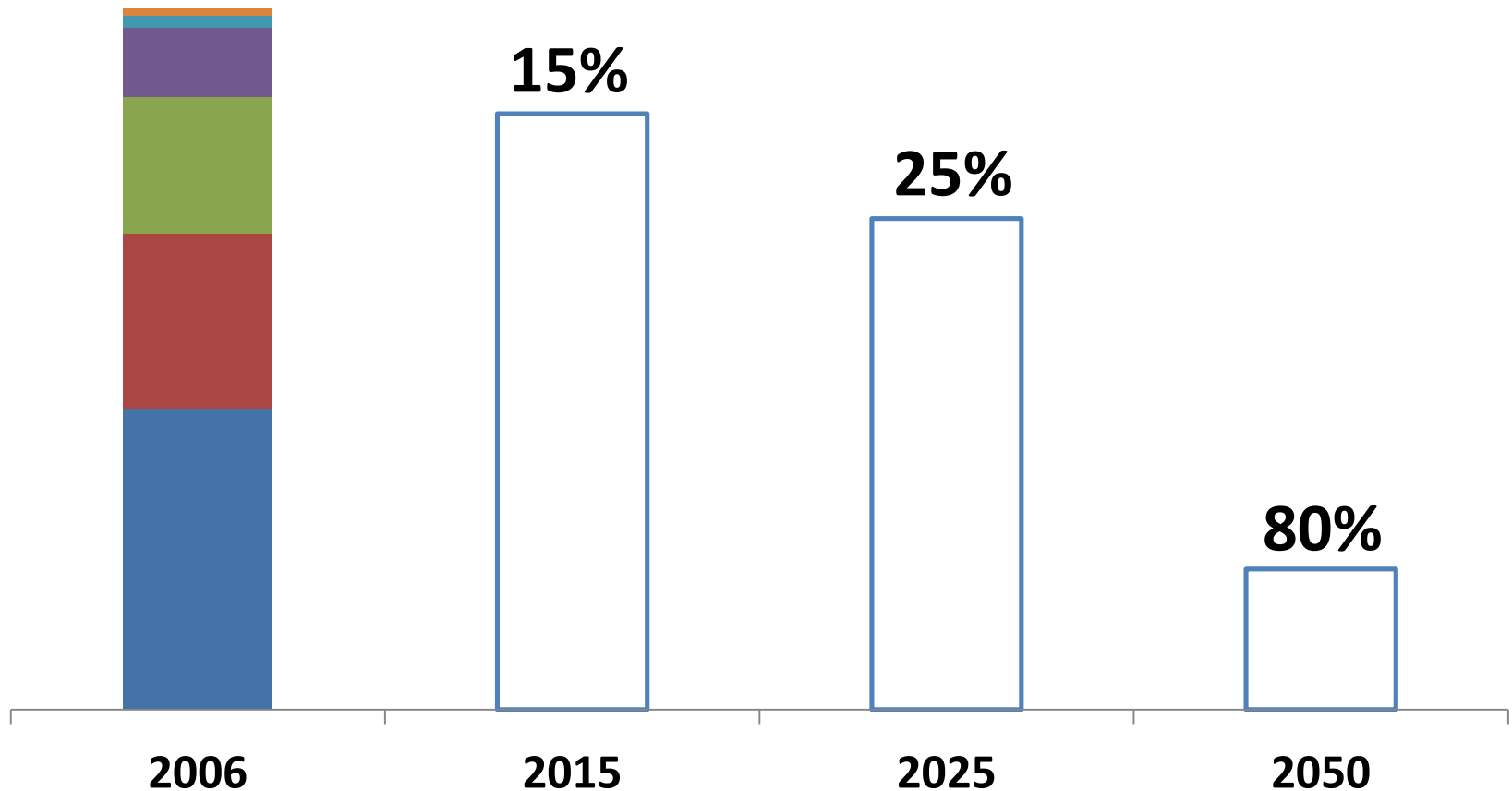
* 2014 data are preliminary

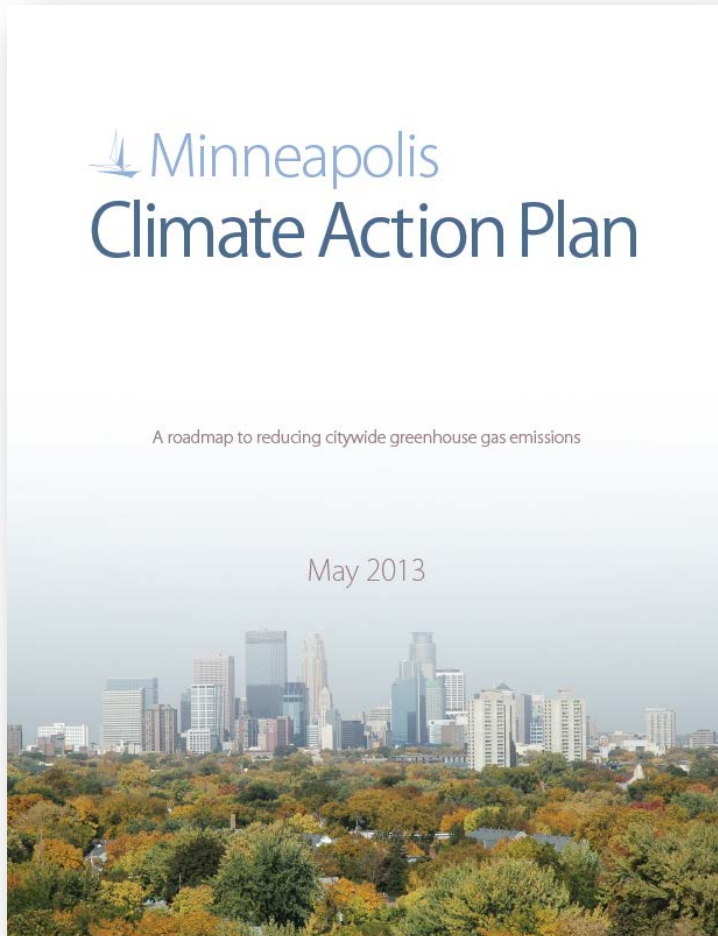
Minneapolis Greenhouse Gas Emissions from Citywide Activities





Minneapolis Community Greenhouse Gas Emissions Reduction Targets





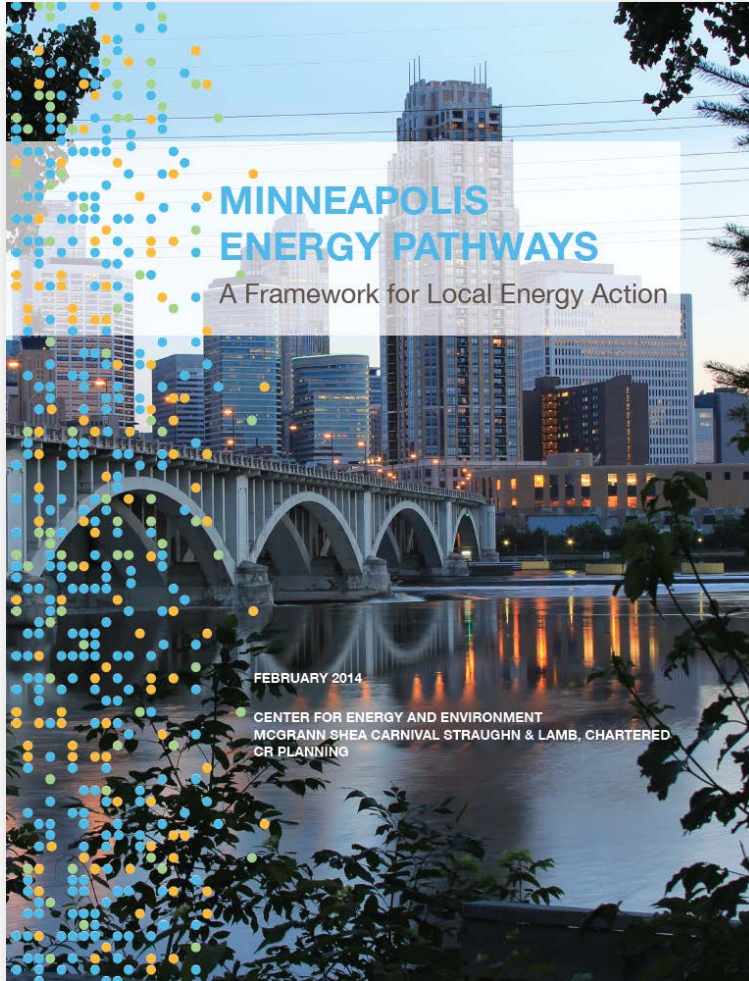
Climate action goals

- Reduce energy use 17% by 2025
- Generate 10% of electricity through local sources
- Raise bicycle and transit mode share
- Recycle half of the waste stream, compost 15%
- Advance equity in infrastructure and environmental benefits

2013 Election cycle

- Many local voices urging a ballot measure to allow the City to municipalize after franchise agreements expired
- Ballot measure became part of many Council Members campaign language
- Ultimately did not go onto the ballot, but prompted significant discussion and attention from the City and the utilities





Energy Pathways Recommendations

- Pursue traditional energy franchise agreements AND new Clean Energy Agreements with both utilities
- Agreements should focus on achieving the City's Climate Action and Energy Vision Goals
- Leverage the shared goals of the City and utilities: increased adoption of energy efficiency and renewable energy programs
- Work collaboratively
- Continue the City's work in state regulatory processes



Negotiations during summer 2014

City pushing for:

- Much shorter franchise agreements (5 years vs. 20)
- Parallel franchise agreements and Clean Energy agreements
- More energy usage data, performance reporting
- No changes in franchise fees

Most contentious issues were about right-of-way, not energy!



Negotiations during summer 2014

Utilities wanted:

- Long franchise agreements (20 years)
- Adopt language similar to other cities in the state
- Non-compete clause

Most contentious issues were about right-of-way, not energy!

New utility agreements

- New franchise and Clean Energy agreements signed in October 2014
- Franchise agreements have a minimum term of 5 years and maximum of 10 with renewal linked to progress on Partnership
- Established the Clean Energy Partnership and Board
- Since approval, City and utility staff have been working to launch the Partnership



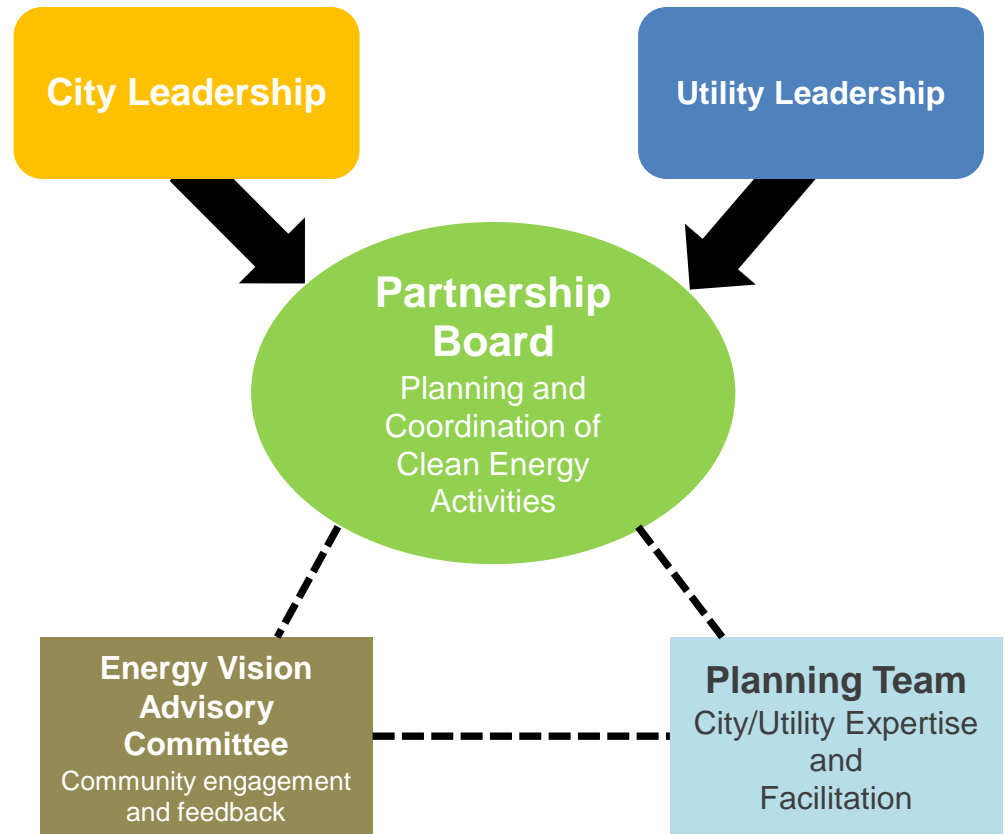


Moving forward in partnership

- CEP Board will meet quarterly
- Partnership work will be guided by a two-year work plan adopted by the Board
- Energy Vision Advisory Committee will provide feedback on the work plan and performance metrics
- Staff teams (utility and city) will support the Board and drive implementation of work plan items
- Annual reports will allow partners and the public to measure progress

Partnership Board:

- Two City Council members
- Mayor
- City Coordinator
- Two high-level representatives from each utility





Energy Vision Advisory Committee (EVAC) Charge

- Review and provide feedback on the CEP work plan, as well as performance reports.
- Serve as a critical communication link to share information about CEP and EVAC decisions and activities to their respective constituencies.



Potential 2015-2016 Work Plan items



Community Initiatives

Community Solar Gardens

Data Access

Commercial Buildings

Multi-Family EE

Residential EE

EE Financing Options

Partners in Energy

Community Engagement

Community Resources Webtool

City Enterprise Initiatives

Participation in Community Solar Gardens

Infrastructure Planning and Econ Dev

LED Street Lighting

Natural Gas Infrastructure for City fleet



Energy Efficiency in Commercial Buildings





Potential Partnership Role

- Leverage city's benchmarking data and outreach work
- City and utility collaborate on development of new marketing approaches or new energy efficiency programs for large buildings
- Recognition and challenge to large commercial buildings

Timing

- City will be publishing first round of data in Fall of 2015
- Discussions on new/modified EE programs is ongoing
- Energy recognition/challenge could kick-off in Fall 2015



Energy Efficiency in Multi-Family Buildings





Potential Partnership Role

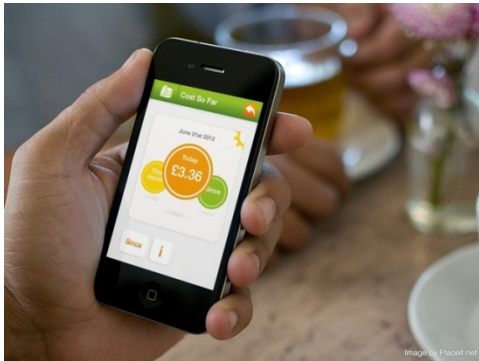
- Work jointly to seek regulatory approval at Division of Energy Resources (DER)
- Expanded outreach/marketing to Minneapolis multi-family properties to encourage participation
- Explore Minneapolis regulatory tools to encourage participation
- Explore financing options for program participants to reduce barriers to efficiency improvements

Timing

- Program is currently being reviewed by DER
- Provider to be selected by utilities in 2015
- Program may kick-off later in 2015



Enhanced Community Engagement





Potential Partnership Role

- Develop innovative approaches to engage the community to act on EE/RE programs
- Seek funding for expanded community outreach, empowerment of community-based organizations

Timing

- Dependent on specific idea and funding

LED Street Lights





Potential Partnership Role

- Partner to seek regulatory approval for streetlight retrofit program
- Give input on implementation of roll-out of LED streetlights in Minneapolis (location, timing, etc.)

Timing

- First filing to Department of Energy Resources in May
- Roll-out across Xcel territory over the next 5 years



Next Steps

- EVAC has completed feedback on '15-'15 Work Plan items
- Partnership Board meeting to approve a Work Plan is in two days!
- Return to EVAC and the Board with program details
- Implementation begins...



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Developing Momentum for Clean Energy Policy

Jennifer Gunby
Kansas City, MO

Kansas City's Momentum for Clean Energy Policy

Jennifer Gunby (PE, LEED AP, REP)
Community Energy Program Manager,
Kansas City Missouri



Pendergast **Boulevards** Royals **P&L**
Community **CrossRoads**
^{Chouteau} **Kauffman** **WestBottoms** **CityMarket**
^{Cass} **Missouri** **Plaza** **Platte** ^{Affordable} **Kansas** ^{Fountains} **River** Johnson
Jackson **Parks** **Blues** **Wyandotte** **KC** **Food**
Diverse **Starlight** ^{Classic} ^{Sporting} **BBQ** ^{Clay} **Westport**
^{NelsonAtkins} **Chiefs** ^{Steak} **MidWestern** **Jazz** ^{Disney} **Swope**
Bluffs **Heart** **CrownCenter**
LibertyMemorial **Hallmark**
^{Kemper} ^{UnionStation}

WordItOut

What is the City Energy Project?

A groundbreaking national initiative to improve the energy efficiency of buildings in 10 major American cities.

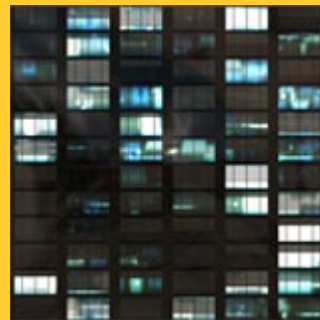


What is the City Energy Project?

THE CITY ENERGY PROJECT : THEORY OF CHANGE



Engage America's
leading cities



Focus on large
existing buildings,
the biggest energy
users



Make it easier to
invest in efficiency



Overcome
barriers

BETTER BUILDINGS, BETTER CITIES

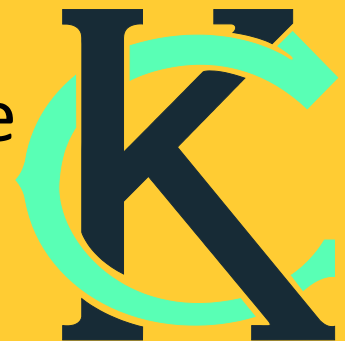
Kansas City Energy Project

Established reputation for sustainability supported by strong action.



Kansas City Energy Project

- Energy Benchmarking & Reporting
- Lead by Example
- Challenge Programs, Recognition & Awards
- Energy Efficiency Leasing Terms & Financing Mechanisms
- DOE's Energy Data Accelerator initiative
- Building Operator Certification
- Regionalization of Energy Efficiency



KC Stakeholder Engagement

- KC's Climate Protection Plan
- 2012 IECC standards
- KC's Energy Efficiency & Conservation Plan
- Comprehensive Greenhouse Gas Report (Oct 30th 2014)



KC CEP Stakeholder Engagement



Mayor's Energy Challenge

2014 Challenge – Benchmarking

- 178 buildings benchmarked with ENERGY STAR®
- 25 organizations represented



2016 Challenge – Energy Efficiency

- Improve your 2016 ENERGY STAR® Score over your 2014 Score

Benchmarking Ordinance

ENERGY BENCHMARKING HELPS BUILDINGS TAKE CONTROL OF ENERGY USE

Chicago buildings spend
\$3 BILLION
per year on energy



Building energy use drives
71%
of citywide greenhouse gas (GHG) emissions

\$77 MILLION



IN POTENTIAL SAVINGS
IDENTIFIED FROM 2014
ENERGY BENCHMARKING

ANNUAL SAVINGS POTENTIAL IDENTIFIED TO DATE*



13% to 23% energy savings



\$44 million to \$77 million cost savings



460,000 to 844,000 avoided tons of GHGs
(equivalent to removing 95,000 to 175,000 cars from the road)



Investment to achieve these savings could create more than 1,000 jobs

*Savings estimate from improving buildings' energy intensity to the 50th or 75th percentile, by sector

Kansas City Benchmarking Energy & Water Use

Who

What

Why

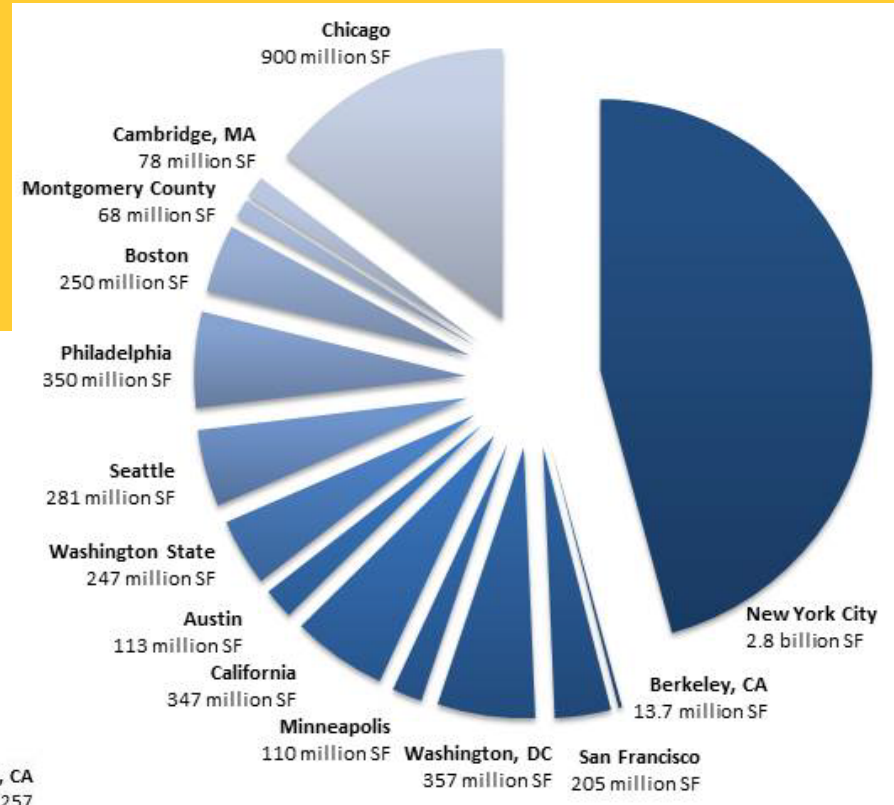
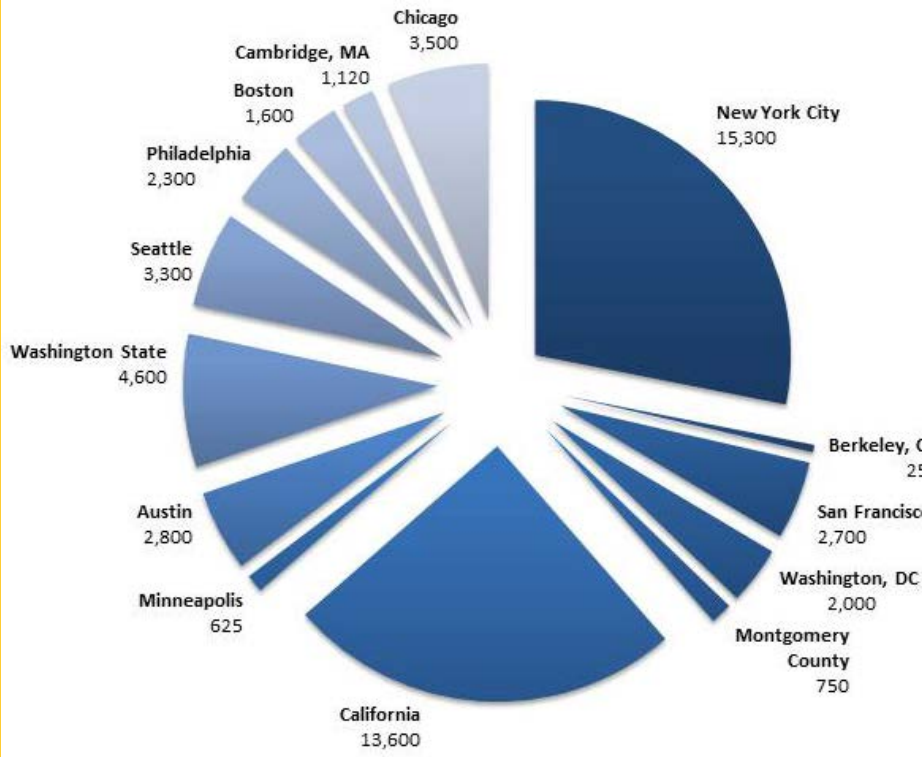
When

Where

Implementation Phase

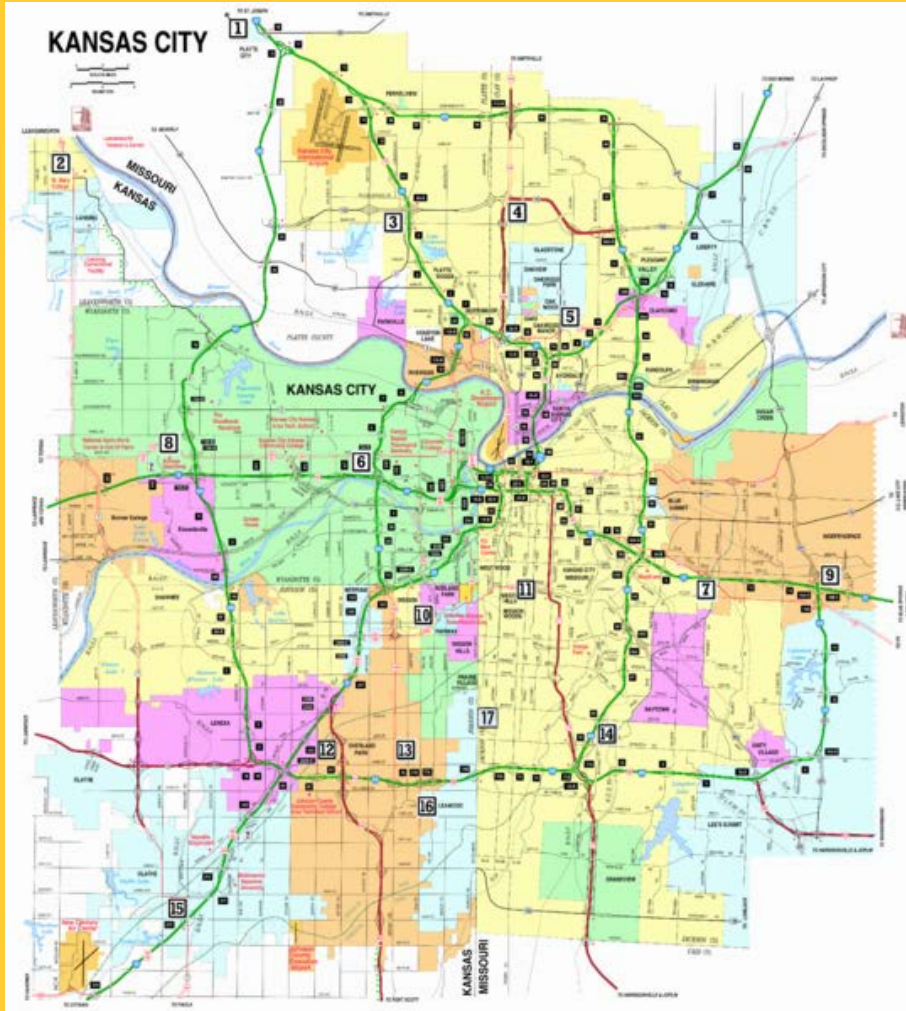


Number of Properties Covered Annually



Building Area (square feet) Covered Annually

KC Momentum to Clean Policy



MCD.MO.GOV
Missouri Clean Energy District

KC Momentum to Clean Policy



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Developing Momentum for Clean Energy Policy

John Sykes
Interfaith Power & Light, Delaware



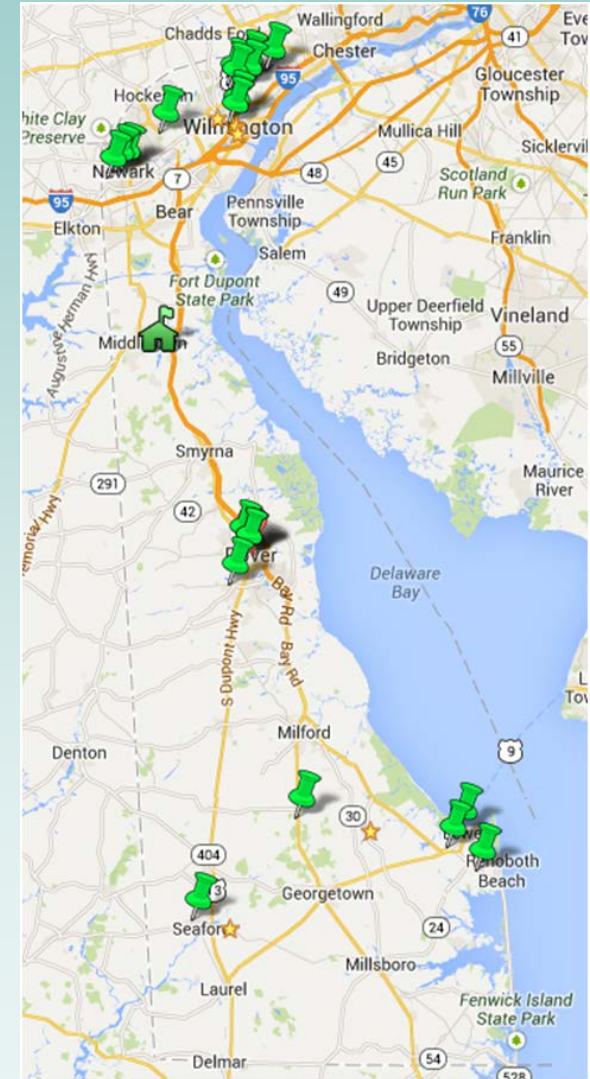
Better Buildings Forum DOE The Delaware Story

John Sykes, President
Delaware Interfaith Power & Light
May 27, 2015



What's the Connection?

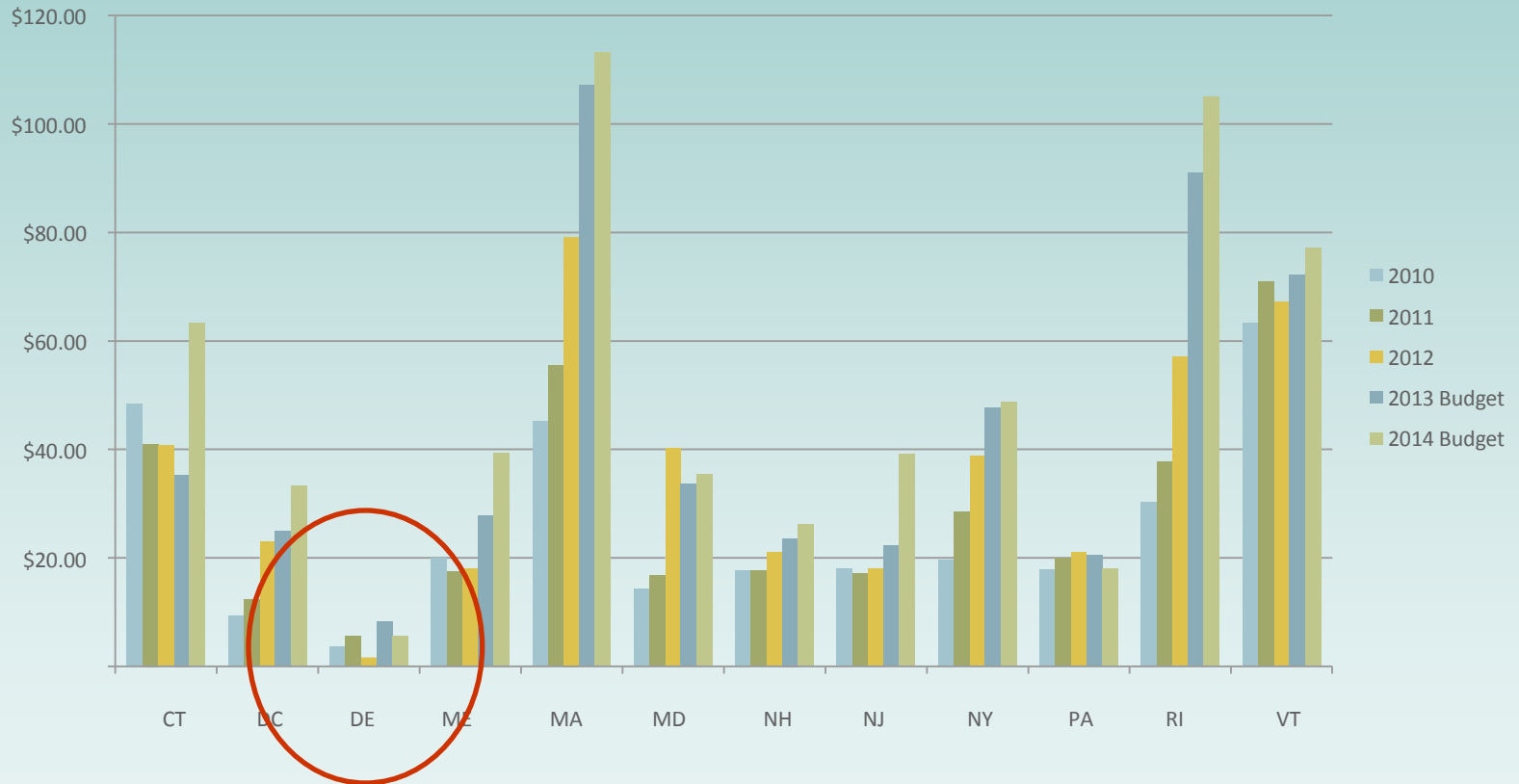
- DeIPL's Mission:
 - Religious response to climate change, through the adoption and promotion of **energy efficiency, energy conservation and renewable energy strategies**
 - Goal is saving energy and money, green job creation and healthier environments
- Comprised of 25 Congregations, part of a larger network of 40 state chapters with 15,000 congregations





STATE SPENDING ON ENERGY EFFICIENCY

COMPARISON OF 2010 TO 2014 PER CAPITA PROGRAM SPENDING



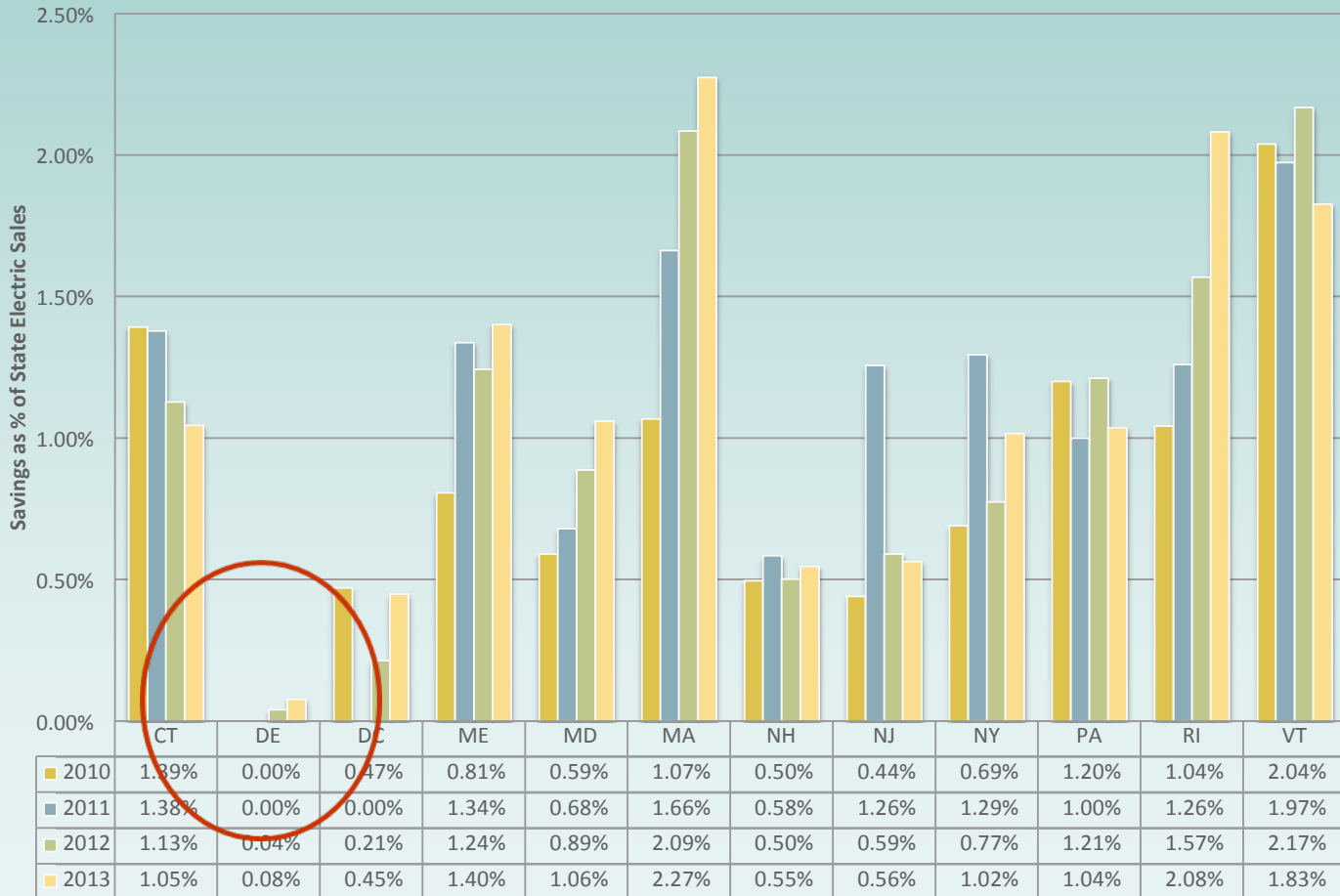
2014 per capital EE for DE was \$5.65 vs 12 state average of \$50.36
Slide, Courtesy of NORTHEAST ENERGY EFFICIENCY PARTNERSHIPS



ELECTRIC SAVINGS, 2010-2012

STATES THAT INVEST MORE, SAVE MORE. HOW WILL DELAWARE RAMP UP?

State Annual Electric Savings as Percent of Sales





2007 – Bold New EE Concept

- **The Delaware Sustainable Energy Utility (DESEU)** was created by the Legislature in 2007 to deliver energy efficiency and renewable energy services to Delaware households and businesses. Their role:
 - To promote coordinated program delivery, including coordination with low income programs, other efficiency programs, and utility programs
 - To offer "one-stop shopping" and be the point-of-contact for sustainable energy services in Delaware



2009 – EERS Comes to DE



- Regulated Utilities: 10% NG and 15% Elec reduction by 2015
 - Legislative Constructed Issue
 - No rate Recover
 - DESEU charged with design, implementation and funding
 - NO Accountability or enforcement
- “Holding regulated affected energy providers responsible for outcomes without any ability to design and administer efficiency programs may create unintended issues”



Call in the Coalition Calvary

- Coalition Players
 - Delaware Energy Office (Delaware Natural Resources and Environmental Control - DNREC)
 - Utilities
 - Pepco Holdings
 - Delaware Municipal Energy Coalition
 - Delaware Electric Cooperative
 - NGOs:
 - Sierra Club, Delaware Nature Society, Audubon, Earth Justice, Del Valley Green Building Council, DeIPL



More Calvary

- National Association of Energy Service Companies (NAESCO)
- Veolia North America
- CM3 Building Solutions Inc.
- Schneider Electric - North American Operations
- Opower
- Zeronet USA
- Energy Coordinating Agency
- Sobieski Services, Inc.
- Ecobeco LLC
- Free Lighting Corporation
- Johnson Controls
- Northeast Energy Efficiency Partnerships



Call in the Coalition Calvary

- 3 Year Campaign to change the legislation
 - Legislation written and submitted for 3 years running
- Goals
 - Create ratepayer-funded electric and gas efficiency programs to be administered by utility providers.
 - that will complement those offered by DESEU
- Success: HA2 to SB150 was passed at 3:00 AM on June 31st (Legislative Savings Time)

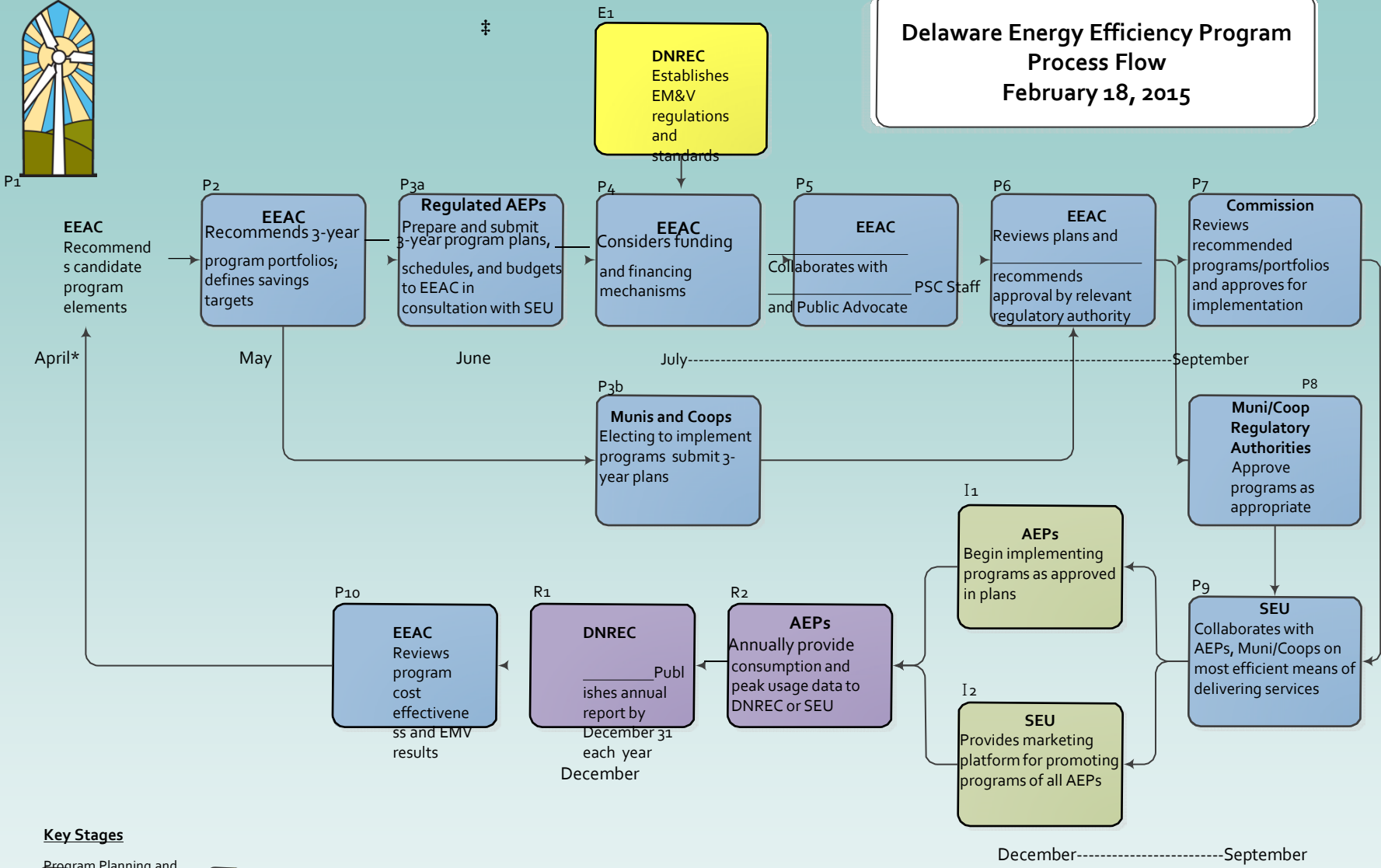


Plans and Progress

- Energy Efficiency Advisory Council formed and started in late 2014.
- Goal is a suite of Cost Effective EE Program to reduce energy usage and cost
- Timeline
 1. Utilities, Business, NGOs, Public
 2. Candidate Programs ID'ed in Mid 2015
 3. PSC Financial Buy-in around Sept
 4. Rules and Regs and EMV by End of Year
 5. Program Startup in Early 2016
- PS. All this concurrent with Pepco / Exelon Merger



Delaware Energy Efficiency Program Process Flow February 18, 2015



Key Stages

- Program Planning and Approval Process
- EM&V
- Implementation
- Reporting

* All dates are representative of an anticipated timeline and are subject to change
 ‡ Includes energy efficiency, peak demand reduction, and emission-reducing fuel switching programs



Energy Efficiency Waves

- SB150 Enabled Utilities to bring Energy Efficiency Programs to Delaware
- Exelon/Pepco Merger promises additional focus on low-income residents
- Energize Delaware Loans for Communities in Need - \$1M Set Aside to Leverage \$9M from DCIC member banks
- Executive Order 41 – Climate and Resiliency Plan
- Shaheen/Portman to POTUS





Lessons and Focus

Purpose, Partnerships, & Pilots

- Purpose: Keep Focus on REAL Goal – Saving Energy, Money & Creating a Sustainable Future
- Partner for the long game – Legislation through Delivery
- Start Innovative Pilot Programs early in the process



Resource to Consider

Interfaith Power and Light

- Huge National Presence
- Affiliates in 40 States, representing over 15,000 congregations, which means an immense reach of citizens
- Heavily involved in both energy efficiency at the street level and in state and federal advocacy
- <http://www.interfaithpowerandlight.org/about/state/>



Thank You & Good Luck

John Sykes

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Questions & Discussion