



Request for City Council Committee Action from the Department of Community Planning & Economic Development

Date: July 9, 2013

To: Council Member Lisa Goodman, Community Development Committee

Subject: End of project summary and performance report for the Residential Energy Efficiency Program

Recommendation: Receive and file the project performance and summary for the Residential Energy Efficiency Program

Previous Directives: On June 1, 2009 City Council authorized City Staff to select an external provider through an RFP process to support energy efficiency improvements to residents in Minneapolis. On November 17, 2009, City Council authorized the execution of a contract with Center for Energy and Environment (CEE) to provide Residential Energy Efficiency Services through its Community Energy Services Program.

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Approved by: Charles T. Lutz, Deputy Director CPED _____
Catherine A. Polasky, Director, Economic Development _____
Presenters in Committee: Becky Shaw

Financial Impact

- Other Financial Impact

Community Impact

- Neighborhood Notification: Each neighborhood was involved in the Community Energy Services program.
- City Goals: *Eco-focused* – Use less energy, produce less waste

- Sustainability Targets: Program falls within the City’s targets for a more sustainable community.
- Comprehensive Plan: The program is in compliance with the policies of the Minneapolis Plan

Supporting Information

In February 2009, Congress passed and the President signed the American Recovery and Reinvestment Act (ARRA) which allocated \$3.2 billion to the Energy Efficiency Conservation Block Grant Program (EECBG). The program allocated funds to cities, counties and states to implement strategies to reduce fossil fuel emissions, increase efficiency and to reduce total energy use, while creating jobs.

In June 2009, City Council authorized staff to accept funding from the U.S. Department of Energy for \$3.9 million for a variety of proposed activities. Council authorized an appropriation of \$705,000 of that \$3.9 million for a Residential Energy Efficiency and Conservation Program. City staff was approved to select an external provider to support energy efficiency improvements to residences in Minneapolis through an RFP process.

The RFP issued in September 2009 urged proposers to demonstrate strategies and techniques to maximize the energy efficiency of residential properties, leverage other programs and funding sources, link to local workforce programs, and partner with Minneapolis neighborhoods and community based organizations. The proposal submitted by Center for Energy and Environment (CEE) demonstrated all the strengths that satisfy the requirements of the RFP. CEE proposed to expand their existing Community Energy Services (CES) program in Minneapolis to serve an additional 4,000 homes through April 2013 by implementing education on no-cost actions, installing low-cost energy-saving materials, and encouraging major home retrofits when substantial energy savings are possible. The program relies on community-based marketing and outreach strategies to recruit participants. The entry point into the program is attending a community workshop, giving homeowners an overview of the program and providing training on specific energy-saving actions the homeowners can take. Residents are encouraged to sign up for a home visit, which is available for a small co-pay. The home visits are approximately 1.5 hours and are conducted by an energy counselor and an energy technician. These staff provide assistance to the homeowner installing low-cost energy efficiency materials, as well as make recommendations for more significant energy-related upgrades. Homeowners receive a feedback report providing individualized targets for reducing energy usage. The report also compares usage to neighboring peers and low energy users. Lastly, CEE provided supporting services to those homeowners doing recommended upgrades to help ensure the work quality of the contractors doing those upgrades.

With a \$705,000 investment, the CES program provided energy services for 4006 homes in the City of Minneapolis, created 39.5 full time equivalent positions and leveraged \$1,219,307 in funds from CenterPoint Energy and Xcel Energy. Through 99 energy workshops, and 4006 home visits, funds were used to provide the following energy saving tools to Minneapolis Residents:

CFLs	44,919
Door sweeps	673
Faucet Aerators	3258
Showerheads	2208
Pipe wrap	2418
Powerstrips	866
Water heater blanket	231
Weather Stripping	802
Thermostats	573

Gasket seals	5040
Safety Caps	2487
LED Night lights	2577
Fridge thermometer	1851

The measures have produced energy savings of 902,938 BTU per year and have reduced carbon emissions by 1880 tons per year. That is the equivalent of removing 368 cars from the road or completely eliminating the energy load of 251 homes every year.

Overall, CEE has demonstrated experience, capacity and proven track record with energy efficiency service delivery and financing. They fully met our objectives for this residential energy efficiency program on all measures – number of homes serviced, financing provided, jobs generated/workers trained, energy savings and CO2 emission reductions.

Though the Federal Stimulus dollars that supported the City's initial investment in this program, CPED staff recommend continuing City support for this work through a modest budget request for 2014.