

City-Utility Clean Energy Partnership Outline

Introduction. As envisioned in the Minneapolis Energy Systems Pathways Study, the Clean Energy Agreement would establish a Clean Energy Coordinating Partnership. The Partnership would consist of City and Utility leaders that would meet regularly and formalize a process for City/Utility cooperation in meeting the City's energy sustainability goals (including GHG emissions reduction goals and other climate action goals) and achieving the City's energy vision, in a manner that would assist the utilities in meeting their state clean energy requirements.

As proposed, that vision is summarized as follows:

In 2040, Minneapolis' energy system will provide reliable, affordable, local and clean energy services for Minneapolis homes, businesses and institutions. It will sustain the city's economy and environment and contribute to a more socially just community.

Goals & Strategies. The work of the Partnership should help the City to meet its adopted goals, including greenhouse gas emissions reduction targets of 15 percent by 2015, 30 percent by 2025 and 80 percent by 2050, all from a 2006 baseline. In addition, specific goals from the City's Climate Action Plan include:

- achieving an increase in electricity from local and directly purchased renewables to 10 percent of the city's total by 2025
- significant energy efficiency improvements in the residential, commercial and public sectors
- advancing equity in infrastructure and environmental benefits, and
- assessing and building the resiliency of energy infrastructure in the city.

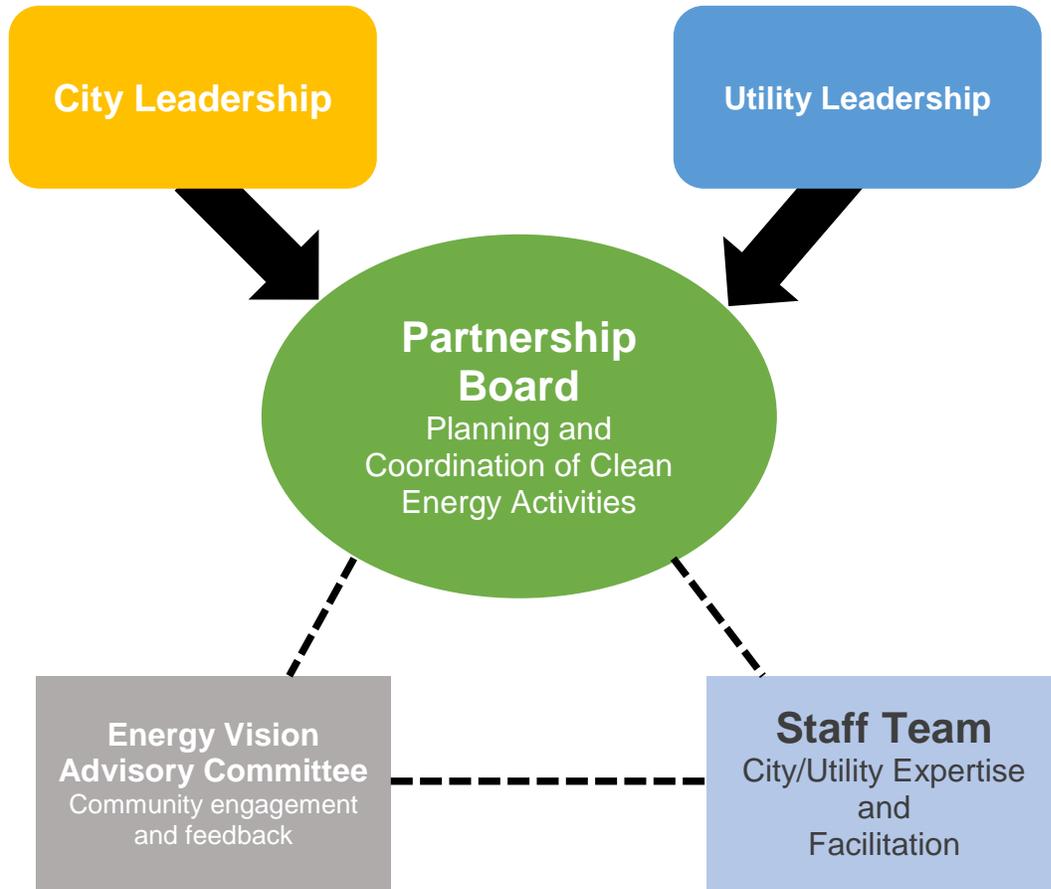
In addition to working towards the long-term goals noted above, the Clean Energy Partnership agreement will include a set of more focused outcomes to be agreed upon by the City and our utilities for the Clean Energy Partnership Board to pursue. The City has already identified priorities for this work through existing policy documents including the list of two-year priorities for climate action and the Energy Pathways study.

Function. As we described it, the Partnership would:

- Market, track, coordinate and report progress on clean energy activities in the City of Minneapolis
- Help harness all available resources to advance the City's Climate Action Plan, and
- Provide a basis for collaboration, while helping to hold parties accountable for meeting goals and increasing the penetration and uptake of utility clean energy programs and funding (both existing and to be proposed).

Partnership Structure (see next page). The Partnership board would consist of high level representatives from both Xcel Energy and CenterPoint, as well as from the Mayor's office and City Council. It should be a relatively small group to facilitate discussions and decisions. It's important that the Board be made up of decision-makers from their respective organizations. The Partnership would be staffed by dedicated City staff loaned to the Partnership, and have a budget appropriation from franchise fee revenues of \$250,000 or more as determined necessary and appropriate. The Partnership board would meet quarterly.

The Partnership would also be served by an Energy Vision Advisory Committee (EVAC) consisting of representatives from critical communities within in the City, including business, neighborhoods, environmental justice, technical and City staff experts and others. The membership of the EVAC would be approved by the Partnership board.



Process for Workplan Development. The Partnership would initiate a priority-setting workplan development process for a two-year period, engaging the EVAC, utility personnel, City departments and others, to advise the Partnership Board on the clean energy priorities of the Partnership for that period, strategies for making progress on those priorities, and metrics for measuring progress.