

Request for Committee Action

To: Intergovernmental Relations
Date: August 13, 2015
From: City Coordinator
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File type: Action
Subcategory: City Policies

Subject:

Approve Energy and Climate Policy Positions

Description:

Approving the Energy and Climate Policy Positions for government agencies, including Minnesota Public Utilities Commission

Previous Actions:

- April 2014: Revised greenhouse gas reduction targets of 15% by 2015 and 30% by 2025 to include 80% by 2050.
 - June 2013: Adopted the Minneapolis Climate Action Plan which included numerous strategies that require engagement in State regulatory processes.
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Ward/Neighborhood/Address:

Not Applicable

Background/Analysis:

Through numerous policy actions, the City Council has set goals to reduce greenhouse gas pollution, contain energy costs, promote equitable access to energy services, and reduce harmful impacts of energy systems on Minneapolis communities. Highlights include:

June of 2013, the City Council adopted the Minneapolis Climate Action Plan, which identifies a number of strategies that might require changes or additions to utility programs, governed by the rules of the Minnesota Department of Commerce and the Minnesota Public Utility Commission (PUC).

April 2014, the City Council adopted an 80% by 2050 carbon reduction goal that will require a much higher degree of clean power in order to meet the goal. The PUC will be an important regulator for determining Xcel Energy's future power production mixture.

October 2014, the City formed the Clean Energy Partnership with Xcel Energy and CenterPoint Energy, which will require working jointly with utilities through state regulatory processes to develop more and better solutions to bring clean energy options to Minneapolis customers, businesses and local government.

As a result of these and other initiatives and policy directions, the City is actively engaged with state regulatory bodies and agencies, including PUC, and to a lesser extent, federal agencies, all of whom impact local energy and climate change policies and programming. The attached Energy and Climate Policy Positions summarize the City's high-level policy positions, as well as

topics the City may need to engage on in 2015 and 2016 at the Minnesota Public Utilities Commission and state agencies like the Minnesota Pollution Control Agency.

These positions have been reviewed by staff from Public Works, Property Services, Intergovernmental Relations, and CPED Long Range Planning.

Because issues often come up quickly with short comment periods - especially at the PUC - we are seeking formal action, similar to the legislative agenda annually adopted by the City Council. This model is also similar to the City Council's recently adopted Federal Aviation Positions which is used by staff to guide activities regarding the Minneapolis Saint Paul Airport.

While unforeseen topics may arise, the following is a list of topics that will likely require review, comment and engagement by the City in 2015 and 2016. These items are listed as policy priorities in the Energy and Climate Policy Positions document.

- Building owner, community-based organization and local government access to utility energy usage data and program participation data.
- Renewable energy programs including community solar gardens or green tariffs.
- The new multi-family energy efficiency program being offered jointly by Xcel Energy and CenterPoint Energy.
- Xcel Energy's 2016-2030 Integrated Resource Plan.
- The assignment of externality values (health, greenhouse gas, etc.) for pollution resulting from energy-generating sources.
- Exploration of new utility business models that align utility incentives and regulatory frameworks with state and local policy interests of lower energy costs, reduced greenhouse gas emissions, a more energy efficient economy, and more equitable energy services.

Financial Review:

No financial impact.

Attachments:

1. Energy & Climate Policy Positions