

**RESOLUTION
of the
CITY OF MINNEAPOLIS**

By Gordon

**Setting a Special Election for November 5, 2013, on the Question of
Authorizing the City of Minneapolis to Acquire the Property of a Public Utility and
to Form a Municipal Natural Gas Utility.**

Whereas, the City of Minneapolis has a goal to be an “eco-focused, internationally recognized leader for a healthy environment and sustainable future”; and

Whereas, the City of Minneapolis has a franchise agreement with Minnegasco, now known as CenterPoint Energy, Inc., and its successors and assigns (hereinafter “CenterPoint Energy”), that expires on January 1, 2015, which provided the City \$8.1 million for the use of the City’s right-of-way in 2012; and

Whereas, the City has adopted aggressive climate goals, including reducing carbon emissions by 30% by 2025, relative to 2006 levels; and

Whereas, the Minneapolis Climate Action Plan adopted on June 28, 2013, includes strategies for increasing energy efficiency and renewable energy that are not currently available through the utility service provided by CenterPoint Energy, Inc.; and

Whereas, natural gas consumption in Minneapolis homes and businesses generated 1.3 million metric tons of carbon dioxide equivalent in 2010, more than one-quarter of the total greenhouse gas emissions in Minneapolis; and

Whereas, 31 communities in Minnesota are served by municipal natural gas utilities; and

Whereas, local energy investments in energy efficiency - including building retrofits and efficiency improvements - create more than twice as many jobs per dollar invested than investments in natural gas; and

Whereas, residential customers of municipal utilities across the United States pay on average 14% lower rates than customers of investor-owned utilities; and

Whereas, the City of Minneapolis provides water, sanitary sewer, storm sewer, solid waste, and recycling utility services to the people of Minneapolis, and in 2012, over 90% of Minneapolis residents were satisfied with these utility services; and

Whereas, Minnesota Statutes, Chapter 216B and other pertinent authority grants municipalities the ability to acquire and operate public utilities; and

Whereas, authorization by Minneapolis voters to acquire the property of a public utility and form a municipal natural gas utility will aid the City of Minneapolis by providing the City with an alternative pathway to meeting its energy goals; and

Whereas, passage of this ballot question would enable, but does not require, the City to acquire the property of a public utility and to form a municipal utility, and significant additional study will be required before the City actually acquires the natural gas infrastructure currently owned by CenterPoint Energy; and

Whereas, the Energy Pathways Study being completed by the Center for Energy and the Environment will provide information on the feasibility of acquiring the property of a public utility and forming a municipal natural gas utility;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City of Minneapolis desires to acquire the property of CenterPoint Energy, Inc., and to establish a municipal natural gas utility and to own, operate, construct, and to extend natural gas facilities for the purpose of providing natural gas and similar services.

Be It Further Resolved that the City of Minneapolis will conduct a special election on November 5, 2013, on the question of: "Shall the City of Minneapolis be authorized to establish a municipal natural gas utility and to own, operate, construct, and extend natural gas and similar facilities and to purchase and acquire the property of any existing natural gas public utility operating within the City of Minneapolis for the purpose of providing natural gas and providing similar services?"

Be It Further Resolved that the City of Minneapolis only intends to acquire the property of a public utility and to form a municipal natural gas utility if it can provide energy services:

- 1) Without raising natural gas rates above the trend line established by CenterPoint Energy, Inc., from 2006-2013.
- 2) As or more reliably than the incumbent utility.
- 3) In a way that meets the City's aggressive emissions reduction and climate change goals.
- 4) While meeting the City's energy efficiency goals and increasing locally generated renewable energy.