

MAWVEC 2008
**Minnesota's Next Generation
Energy Act and Beyond**

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Center for Energy and Environment



Center for Energy and Environment

- Energy services to over 60,000 single, multifamily and commercial buildings
- Authored over 100 research projects
- Developed greenhouse gas reduction plans for:
 - 1993 – Minneapolis/St. Paul Urban CO2 Project Plan
 - 1995 – Minnesota CO2 Action Plan
 - 2006 – Updated CO2 Plan for St. Paul

Center for Energy and Environment

- Currently managing One-Stop Efficiency Shop for
 - Alliant Energy
 - Xcel Energy
 - Ottertail Power
- Recommissioning of large complex buildings
- Currently working on a Xcel Energy Funded County Governments project
- CEE Financial Resources

Recommissioning

- With an initial investment of \$185,960, Thrivent is currently saving \$190,000 on their annual energy bill, which means the project paid for itself in under a year.



Recommissioning

- With an initial investment of \$208,000 University Hospital is currently saving \$181,000 on their annual energy bill, which means the project paid for itself in just over a year.



One-Stop Small Business Lighting Program

- To date, *One-Stop* has retrofitted over 2,458 businesses for a total of over 29,572kW in savings.
- Average simple payback of 3 years.

Next Generation Energy Act of 2007

- Energy Savings Goal
- Research Funding
- Financial Incentives
- Decoupling

Savings Goals

- Utilities to file 3 year plans describing how they will reach 1.5% goal
- Goal may be modified to minimum of 1% if 1.5% goal can't be met due to:
 - Historical conservation efforts
 - Load growth
 - Customer class make-up
 - Or other factors

Savings Goals (cont.)

- If goals are modified to less than 1.5%, utilities must work to achieve goal by promoting other efforts:
 - Energy codes
 - Appliance standards
 - Market transformation programs
 - Programs that change customer behavior
 - Green buildings, LEED, Energy Star
 - System efficiency improvements

Applied Research

- Directs the Department of Commerce to oversee development of research plans for all utilities, to include:
 - Identifying new technologies and strategies to maximize energy savings
 - Improving effectiveness of conservation programs
 - Documenting carbon dioxide reductions from the programs
 - Utilities assessed for research projects with statewide significance

Financial Incentives

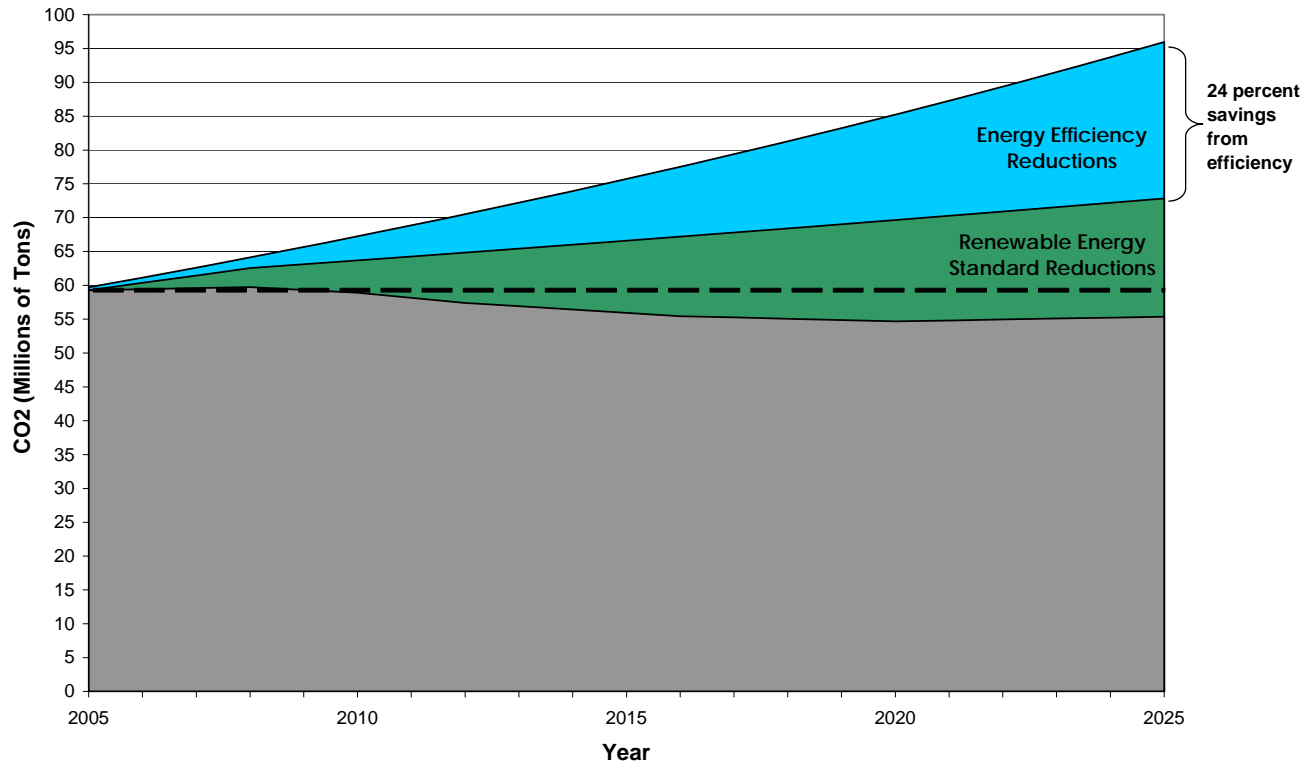
- MN PUC to review current DSM financial incentive plans by 12/08 and modify those plans to facilitate achievement of 1.5%
- Most current plans will need adjustment to reflect much higher savings goals
- New incentive plans may be proposed

Decoupling

- MN PUC to establish criteria for decoupling pilot projects
- Gas and electric utilities may volunteer to run pilot projects consistent with criteria for up to 3 years
- Pilot projects may be extended beyond 3 years if approved in a general rate case

Energy and Renewable Savings

CO2 Reductions in the Electric Sector



2008 Legislative Efficiency Initiatives

- Sustainable Building 2030 – Promoting Exceptional Buildings
- Efficiency Financing for Government Buildings
- Compact Fluorescent Recycling and Marketing



Thank you

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