

2023

Minnesota Energy Resources Corporation - Conservation Improvement Program Incentive

Instructions:

1.) Yellow highlighted fields must be updated by the utility

Inputs	
2017 Weather-Normalized Sales (Dth)	42,269,338
2018 Weather-Normalized Sales (Dth)	43,296,161
2019 Weather-Normalized Sales (Dth)	46,575,519
3-year Weather-Normalized Sales Average (Dth)	44,047,006
1.0% Energy Savings	440,470
Increase Energy Savings per 0.1% Increase in Achievement Level	44,047
Approved ECO Budget	\$12,787,748
Approved ECO Energy Savings Goal (Dth)	456,103
Estimated Net Benefits at Energy Savings Goal	\$16,658,447
Energy savings at 1.5% (Dth)	660,705

Location:

MERC Modification 3/1/2023

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Incentive Calibration	
Max Percent of Net Benefits Awarded	10.0%
Max Percent of Expenditures Awarded	30.0%
Earning Threshold	0.7%
Achievement Level Where Net Benefits Cap Begins	1.2%
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5

Actual 2023 Achievements	
Expenditures	\$10,148,334
Energy Saved (first year Dth saved)	397,439
Net Benefits Achieved	\$19,242,041

Shared Savings Incentive Results	
Achievement Level	0.90%
Percent of Net Benefits Awarded	7.7673%
Financial Incentive Award	\$1,494,587
Incentive/First Year Dth Saved \$	\$3.7605
Incentive/Net Benefits	7.77%
Incentive/ECO Expenditures	14.73%

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	\$0	\$0	\$0.000	-
0.1%	44,047	0.00%	\$1,608,748	\$0	\$0.000	\$0.000
0.2%	88,094	0.00%	\$3,217,496	\$0	\$0.000	\$0.000
0.3%	132,141	0.00%	\$4,826,244	\$0	\$0.000	\$0.000
0.4%	176,188	0.00%	\$6,434,991	\$0	\$0.000	\$0.000
0.5%	220,235	0.00%	\$8,043,739	\$0	\$0.000	\$0.000
0.6%	264,282	0.00%	\$9,652,487	\$0	\$0.000	\$0.000
0.7%	308,329	6.25%	\$11,261,235	\$703,827	\$2.283	\$15.979
0.8%	352,376	7.00%	\$12,869,983	\$900,899	\$2.557	\$4.474
0.9%	396,423	7.75%	\$14,478,731	\$1,122,102	\$2.831	\$5.022
1.0%	440,470	8.50%	\$16,087,479	\$1,367,436	\$3.104	\$5.570
1.1%	484,517	9.25%	\$17,696,227	\$1,636,901	\$3.378	\$6.118
1.2%	528,564	10.00%	\$19,304,974	\$1,930,497	\$3.652	\$6.666
1.3%	572,611	10.00%	\$20,913,722	\$2,091,372	\$3.652	\$3.652
1.4%	616,658	10.00%	\$22,522,470	\$2,252,247	\$3.652	\$3.652
1.5%	660,705	10.00%	\$24,131,218	\$2,413,122	\$3.652	\$3.652
1.6%	704,752	10.00%	\$25,739,966	\$2,573,997	\$3.652	\$3.652
1.7%	748,799	10.00%	\$27,348,714	\$2,734,871	\$3.652	\$3.652
1.8%	792,846	10.00%	\$28,957,462	\$2,895,746	\$3.652	\$3.652
1.9%	836,893	10.00%	\$30,566,210	\$3,056,621	\$3.652	\$3.652
2.0%	880,940	10.00%	\$32,174,957	\$3,217,496	\$3.652	\$3.652
2.1%	924,987	10.00%	\$33,783,705	\$3,378,371	\$3.652	\$3.652
2.2%	969,034	10.00%	\$35,392,453	\$3,539,245	\$3.652	\$3.652
2.3%	1,013,081	10.00%	\$37,001,201	\$3,700,120	\$3.652	\$3.652
2.4%	1,057,128	10.00%	\$38,609,949	\$3,860,995	\$3.652	\$3.652
2.5%	1,101,175	10.00%	\$40,218,697	\$4,021,870	\$3.652	\$3.652
2.6%	1,145,222	10.00%	\$41,827,445	\$4,182,744	\$3.652	\$3.652
2.7%	1,189,269	10.00%	\$43,436,193	\$4,343,619	\$3.652	\$3.652
2.8%	1,233,316	10.00%	\$45,044,940	\$4,504,494	\$3.652	\$3.652
2.9%	1,277,363	10.00%	\$46,653,688	\$4,665,369	\$3.652	\$3.652
3.0%	1,321,410	10.00%	\$48,262,436	\$4,826,244	\$3.652	\$3.652