

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph Sullivan	Commissioner
John Tuma	Commissioner

December 8, 2021

**RE: In the Matter of the Joint Petition for
Approval of the Process to Release Whole
Building Data to Facilitate Local Residential
Rental Ordinance Compliance** **Docket: 21-761**

FRESH ENERGY COMMENTS

INTRODUCTION

Fresh Energy respectfully submits these comments in response to the questions posed by the Commission based on the petition filed by Xcel Energy and CenterPoint Energy (“the Utilities”) on October 29, 2021. This exemption is necessary to comply with the City of Minneapolis’ Time of Rent Disclosure ordinance. As an active participant in both the 12-1344 and 19-505 Dockets, Fresh Energy is a supporter of data access as it promotes building energy efficiency and meeting the state’s climate goals.

In our previous comments both in the 12-1344 and 19-505 Dockets, Fresh Energy has outlined the benefits for communities in using energy data in meeting local climate goals, including creating energy action plans and benchmarking polices.¹ Minneapolis’ Time of Rent energy disclosure ordinance goes a step beyond this and in tackling the rental market. Moreover, this proposal has equity benefits as noted by the City of Minneapolis (“the City”) in providing a better estimation and comparison of the total cost of housing.²

Better understanding utility costs in rental properties has two primary benefits. The first being that renters will better be able to understand their energy costs and compare housing options. This policy is nation-leading in that it creates cost clarity in the rental market. Moreover, this will aid the Minneapolitans who spend the highest proportion of their incomes on energy costs (the most energy burdened), who are more likely to be renters.³ Going a step further, this ordinance will send a market signal to landlords to invest in reducing energy costs for their tenants. Therefore, this ordinance will ultimately help to mitigate the split incentive dilemma where landlords otherwise would not have a financial motive to increase the efficiency of their buildings in cases where the tenants pay the utility bills.

RESPONSE TO TOPICS OPEN TO COMMENT

¹ Summary in Order filed Nov 20, 2020, in docket 19-505 on p 4

² Initial petition, p 9

³ Initial petition, p 19

In whole, Fresh Energy largely supports the exemption requested by the utilities.

1. Does the Utilities' proposed confidence interval method fulfill the City of Minneapolis' ordinance requiring disclosure of monthly energy use data while protecting utility customers' identity and energy data as required by the Commission's Open Data Access Standards? If not, what other method might be appropriate?

Balancing the customer privacy and the social benefits (public interest) is the key to safely providing data. Fresh Energy believes the confidence interval suggested in the petition finds this balance. The City of Minneapolis' [Code of Ordinances 47.190](#)⁴ requires "monthly average energy use information" is disclosed to renters. As the City has outlined in their letter of support, the intention of the ordinance is for renters to better understand the total cost of housing for a particular property. The confidence interval provides an estimate of what this total cost will be, meeting the spirit of the ordinance. It is also worth noting that different tenants using the same unit may have notable differences in energy cost based on individual behavior. For this reason, Fresh Energy believes that providing prospective renters with a confidence interval of the cost range that their bills will likely be more than adequately meets the requirement in the ordinance to "disclose monthly average energy use information."

As noted in the order, the Commission's Open Data Access Standards outlines a protocol for releasing data in a safe manner. When it comes to inquiries fewer than four units, the Standards require the consent of the customer.⁵ The confidence interval methodology proposed by the utilities provides a procedure to safely provide this data. If this methodology is approved and proves successful, Fresh Energy would recommend it be considered more broadly as part of the 19-505 Docket.

2. If using the Utilities' proposed confidence interval method, does the method adequately protect consumer privacy? If not, how might the method be modified to offer greater privacy protections?

Providing a range of what new renters can expect to pay for their monthly utility bills appears more than adequate to protect customer privacy. The risks outlined surrounding customer privacy in the 12-1344 and 19-505 Dockets arose from data intervals much more granular than what the utilities are proposing.⁶ As stated in the petition, the confidence interval is representative of both the average cost and the monthly variation but does not show monthly data.⁷ For Minneapolis residents with higher energy burdens, understanding both the average and the higher end of their energy cost is vastly valuable information for household budgeting. Nonetheless, malicious actors would have no way to determine the specific habits of the current residents, including ascertaining their daily schedule or if resident are "snowbirds" or absent for substantial portions of the year. Moreover, this procedure is only being proposed for the residential multifamily housing space, so there is no business risk of a competitor monitoring energy use as market signal (additionally, there is no real-world example of this taking place). In Fresh Energy's opinion, the proposed confidence interval method provides a safe and private procedure for providing estimated energy costs to renters. Additionally, this methodology could be used to in other circumstances where energy data for 1-3 units would serve the public interest.

⁴ 4 Minneapolis Ordinance 47.190 Commercial and multifamily residential building rating and disclosure. [Ch 47. - Energy and Air Pollution](#)

⁵ Order filed in docket 19-505 on November 20, 2020

⁶ See Minnesota Public Utility Commission Dockets 19-505 and 12-1344 at [E-Dockets](#)

⁷ Initial petition, p 9-10

3. Is the proposed data management process sufficient? If not, what information is needed?

The data management process proposed by the Utilities and is also a great illustration of collaboration with the City of Minneapolis. Utilities providing data formatted with precalculated confidence intervals alleviates the risk of a data breach during passage between entities. Annually updating energy data helps to limit the burden on the utilities for having to fulfill energy data disclosure requests every time a landlord is looking for new tenants. As noted in the City's letter of support, Fresh Energy encourages an assessable portal for renters to compare properties.⁸

4. Are there other issues or concerns related to this matter?

Fresh Energy hopes this program can provide an example of how energy data can be used to serve the public interest while preserving privacy and customer safety. Moreover, Fresh Energy would like to phrase this collaboration between the Utilities and the City through the Clean Energy Partnership.

CONCLUSION

Fresh Energy thanks the Commission for providing the opportunity to respond to Xcel Energy and CenterPoint Energy's petition to comply with Minneapolis' Time of Rent Energy disclosure. As stated above, Fresh Energy supports the petition from the utilities.

/s/ Ben Rabe

Ben Rabe
Director, Building Performance
Fresh Energy
rabe@fresh-energy.org
(651) 726-7574

⁸ Initial petition, p 19