



March 4, 2022

Mr. William Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101

**Re:** IN THE MATTER OF A PETITION BY CENTERPOINT ENERGY AND THE CITY OF MINNEAPOLIS TO  
INTRODUCE A TARIFFED ON-BILL FINANCING PILOT PROGRAM

DOCKET NUMBER: G-008/M-21-377

Dear Mr. Seuffert:

Enclosed please find the Reply Comments of the Energy CENTS Coalition, Center for Energy and Environment, and Legal Services Advocacy Project in the above-referenced matter. While we are aware of the Company's recent request for a six-week extension, we believe our Reply Comments are responsive to the Company's Petition and the Comments of other parties as filed. Although we do not oppose the extension request, we believe six weeks is excessive, particularly given the fact that significant extensions have already been granted in this docket. We are also concerned that the current six-week extension may result in material changes to the Company's proposed Tariffed On-Bill program. Therefore, we respectfully request you establish a supplemental Reply Comment period to provide parties the opportunity to respond to any potential material changes to the program as filed.

If you have any questions, please call me at 651-470-4500.

Sincerely,

Pam Marshall  
Executive Director  
Energy CENTS Coalition

**State of Minnesota  
Before the Public Utilities Commission**

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

In the Matter of a Petition by Centerpoint  
Energy and the City of Minneapolis to Introduce  
a Tariffed On-Bill Financing Pilot Program

Docket No. G-008/M-21-377

**Reply Comments of the Energy CENTS Coalition, Center for Energy and Environment,  
and Legal Services Advocacy Project**

**INTRODUCTION**

The Energy CENTS Coalition (ECC), Center for Energy and Environment (CEE) and Legal Services Advocacy Project (LSAP) appreciate the opportunity to provide further comments in this matter. Our respective organizations, ECC, CEE and LSAP (“Joint Commenters” or “we”), submitted initial comments that raised numerous significant concerns about CenterPoint Energy’s (“the Company” or “CPE”) proposed Tariffed On-Bill (TOB) pilot program. Those concerns include, but are not limited to, the following:

- Disconnection of service for non-payment of TOB charges
- Imposition of debt obligations on customers that qualify for free weatherization services
- Up-front charges and co-payment requirements
- Energy savings are not achieved cost-effectively
- Legal defects including violation of Minnesota law and the common law
- Cost shifts to non-participant ratepayers
- Responsibility for energy efficiency investments imposed on renters, including subsequent renters, rather than on building property owners
- Inclusion of energy modeling tools that do not accurately predict energy-savings
- Insufficient consumer protections
- Disallowance of pre-payment of the financed debt amount
- Unreasonable disclosure, dispute resolution, and property transfer terms
- Significantly high start-up and program administration costs
- Unreasonable proposal to allow CenterPoint Energy to earn both a rate of return and a CIP financial incentive on the same energy efficiency improvement

In the comments that follow, we will respond to certain issues raised in TOB proponents’ Comments. The Joint Commenters believe that the record overwhelmingly demonstrates that the TOB pilot program is not in the public interest. We respectfully request the Commission deny the proposed TOB program and close the current docket.

## REPLY COMMENTS

### I. TOB PARTICIPANTS CAN BE DISCONNECTED FROM SERVICE FOR NON-PAYMENT OF TOB CHARGES

Despite the number of criticisms of the TOB disconnection provision, the CEOs maintain this provision is necessary because “disconnection for non-payment is an important factor in reducing risk to the capital provider thereby unlocking lower costs of capital for the program.”<sup>1</sup> We disagree that CPE’s approved cost of capital should be considered low-cost for what is essentially a home improvement loan. The Joint Commentators, instead, agree with Commissioner Sullivan that this provision raises a “foundational” problem—using “high-cost capital and mak[ing] it look like low-cost capital” and then requiring the “most vulnerable [to pay] that [money] back—that is dangerous.”<sup>2</sup>

Moreover, this provision fundamentally rests on the faulty assumption that the TOB program is an essential utility service. Under Minnesota Rules, disconnection is impermissible for nonpayment of “equipment or service” that is not “*an integral part of the utility service*.”<sup>3</sup> The Minnesota Court of Appeals has firmly held that “[e]nergy conservation improvements are not ‘service’ as defined by [Minnesota statute].”<sup>4</sup> Because energy conservation improvements are not service, the Minnesota Legislature was obliged to enact a statute that declared that conservation improvements under the Conservation Improvement Program (CIP) should be treated “*as if*” they were “service” in order to enable the Commission to assert authority over CIP for cost recovery purposes.<sup>5</sup> TOB is not “utility service,” much less “an integral part of utility service.”

The Attorney General and the Minnesota Department of Commerce agree with this conclusion. The Attorney General points out that TOB “would not offer utility service as defined by Minnesota law.”<sup>6</sup> We concur with the Attorney General’s position that the proposal to disconnect TOB participants for failure to pay TOB charges violates “a fundamental principle that utility customers may not be disconnected for failing to pay for products or services that are not an essential utility service.”<sup>7</sup> Similarly, the Department of Commerce concludes that TOB “does not qualify as utility service,” and notes that the similar statutory on-bill repayment program prohibits disconnection for nonpayment of these nonessential improvements.<sup>8</sup> We agree with the Attorney General and the Department that disconnection of essential utility service for nonpayment of a TOB surcharge violates law, rule, and the public interest, and should be prohibited.

While the Joint Commenters believe that the TOB program, proposed by the Company could be rejected solely based on the disconnection provision, we will provide additional responses to support our request that the Commission reject the Petition.

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<sup>1</sup> Page 30 of the CEO’s February 4, 2022 Comments in this docket.

<sup>2</sup> Minnesota Public Utilities Commission Agenda Meeting, January 14, 2021 in this docket.

<sup>3</sup> Minn. R. part 7810.1300 (emphasis added).

<sup>4</sup> Matter of Implementation of Util. Energy Conservation Imp. Programs, 368 N.W.2d 308, 313 (Minn. Ct. App. 1985).

<sup>5</sup> 1980 Minn. Laws, ch. 579, sec. 16 (codified at Minn. Stat. § 216B.16, subd. 6b) (emphasis added).

<sup>6</sup> Office of the Attorney General, In the Matter of a Petition by CenterPoint Energy and the City of Minneapolis to Introduce a Tariffed on Bill Pilot Program, Docket No. G-008/M-21-377, *Comments of the Office of the Attorney General* (filed February 4, 2022), at 9.

<sup>7</sup> *Id.* at 12.

<sup>8</sup> Minnesota Department of Commerce, Docket No. G008/M-21-377, *Comments of the Minnesota Department of Commerce, Division of Energy Resources* (filed February 3, 2022), at 12.

## II. RESPONSE TO THE CLEAN ENERGY ORGANIZATIONS

### ***A. Generalized comments on the Pay As You Save® model are not relevant to CenterPoint Energy's proposal***

Many of the comments in this docket, supporting the TOB proposal, include only generalized discussions about the Pay As You Save® program (PAYS) or offer examples of similar programs operated by utilities in other states. For example, the Climate and Energy Project discusses the Kansas PAYS experience, Renew Missouri notes several new programs launching in that State, Community Power includes several quotes from utilities and implementers around the country, and the Clean Energy Organizations and Community Stabilization Project ("CEOs"), provide six pages thoroughly describing programs administered by rural electric cooperatives in southern states, and another seven pages referencing programs in Missouri and Hawaii.

We find these summaries utterly irrelevant to the Company's proposal. The southern programs are offered by unregulated utilities in areas without energy efficiency programs. Further, those programs are targeted to very inefficient buildings that are heated and cooled with electricity with expensive electricity rates and in areas with high cooling loads. For example, the Hawaii program provides solar financing for a utility with effective residential rates of \$0.34/kwh.<sup>9</sup> By comparison, Minnesota's average residential electric rate in 2021 was \$0.136/kwh.<sup>10</sup>

Utility efficiency programs have unique local characteristics and circumstances. Local laws, energy costs, weather, building stock, and investment levels all affect what program designs work best in each state. These summaries do not speak to the specifics of the Company's program model and are not relevant in the context of CPE's Minnesota territory.

General comments such as those made by Renew Missouri that "the utility only invests in upgrades that are cost effective,"<sup>11</sup> or, by the CEOs, that "a TOB program allows a utility customer to install cost-effective energy efficiency upgrades in their residence at no up-front cost,"<sup>12</sup> at best do not apply to the Company's proposal and, at worst, are erroneous. As discussed in CEE's initial comments, the CPE proposal is not cost-effective and *does* include significant upfront costs for participants. Examples from other states are not applicable for evaluating the TOB program before the Commission.

### ***B. The CenterPoint Energy proposal does not "expand access" to energy improvements for low and moderate income customers***

Parties supportive of the TOB proposal suggest that the proposed program expands access to energy efficiency investments for low to moderate income customers in ways that current energy efficiency programs do not. Community Power, for instance, stated that current CIP programs and the federal Weatherization Assistance Program (WAP) present "vast gaps in accessibility and high barriers to participation for functionally low-income/low-wealth (not income-eligible at state, utility or federal measures), moderate income households, renter households, which all particularly impact communities of color."<sup>13</sup>

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<sup>9</sup> [https://www.hawaiianelectric.com/documents/billing\\_and\\_payment/rates/effective\\_rate\\_summary/efs\\_2022\\_02.pdf](https://www.hawaiianelectric.com/documents/billing_and_payment/rates/effective_rate_summary/efs_2022_02.pdf)

<sup>10</sup> <https://www.eia.gov/state/rankings/?sid=MN#series/31>

<sup>11</sup> Page 2 of Renew Missouri's January 7, 2022 Comments in this docket.

<sup>12</sup> Page 3 of the CEO's February 4, 2022 Comments in this docket.

<sup>13</sup> Page 5 of Community Power's February 4, 2022 Comments in this docket.

Similarly, the CEOs claim that “TOB programs are able to reach the missing “donut hole” of the energy efficiency landscape: middle-income customers that are not income-eligible for other programs but who also do not have (1) the ability to afford energy efficiency improvements outright, (2) the ability to obtain financing to afford energy efficiency improvements, or (3) the liquidity to pay the upfront cost and wait for a rebate.”<sup>14</sup>

These outcomes may be true for TOB programs in other states, such as those serving customers in electrically-heated homes in the rural South who lack other energy efficiency programs. But they are not applicable in Minnesota. The Company’s existing residential CIP programs provide energy audits, insulation rebates, and financing programs to middle-income customers and do not require upfront payments. Further, as previous comments have shown, current CPE low-income CIP programs are offered free to low-income residential customers with annual incomes up to \$56,992 for a three-person household.<sup>15</sup> Finally, it appears to the Joint Commenters that CPE’s TOB program, as proposed, would not focus on services for those with moderate incomes who do not qualify for low-income CIP (those in the “gap” or “donut hole”). Instead, the company proposes to target the TOB program to communities with the some of the lowest incomes in the state, communities that are geographically eligible to receive free, comprehensive CIP services.

Like Community Power and the CEOs, the Joint Commenters would like to see greater participation in the Company’s CIP programs by low-to-middle-income households. But a fatally flawed TOB program is not the way to achieve that goal. Rather, CPE could modify its CIP programs to better serve non-income eligible, low- and moderate-income *homeowners* by funding a loan-loss reserve, eliminating credit checks in its on-bill repayment program. The Company could increase the income-eligibility guidelines for low-income programs to 300% of federal poverty (as Xcel Energy has done), or by creating a program similar to Minnesota Energy Resources’ “4U2 Program.” The 4U2 program targets customers just above the income guidelines for low-income weatherization (250% of federal poverty). Alternatively, CPE could add an additional subsidy for moderate-income households to its existing residential programs. If the Company chose to pursue any of these alternatives, the existing CIP modification and approval process could easily and expeditiously respond to any such requests.

The Company demonstrated creativity in its latest low-income CIP filing by expanding access for its Low Income Rental Efficiency (LIRE) program by eliminating income verification in Minneapolis’ Green Zones. We are confident they can demonstrate similar creativity to meet other gaps in their CIP portfolio. However, as illustrated in both Table 6 of CEE’s Initial Comments and in ECC’s Initial Comments in this docket, CPE’s TOB proposal cannot generate participation to serve those gaps because it requires high upfront payments.

CPE is right to listen to stakeholders, such as Minneapolis and the participating community organizations in this docket, to help identify gaps in their programs. The Company should continue to develop their existing CIP portfolio to fill any identified gaps.

### **C. The CEOs co-payment recommendations are unreasonable**

On one hand, the CEOs argue that efficiency programs requiring upfront costs “can exclude large swaths of customers, including those with low credit scores or customers that are debt constrained, from taking part in a program. TOB programs help unlock energy efficiency for these customers by eliminating the need for up-

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<sup>14</sup> Page 9 of the CEO’s February 4, 2022 Comments in this docket.

<sup>15</sup> Page 4 of ECC’s February 4, 2022 Comments in this docket.

front capital or enough income to pay for upgrades out of pocket.”<sup>16</sup> On the other hand, the CEOs assert that a “\$1,500 co-payment cap for renters during the Pilot would still allow the program to access the intended sector of aging, poorly insulated housing stock, even for rental units.”<sup>17</sup> The Joint Commenters agree that upfront costs can be a barrier to energy efficiency. However, we believe that a \$1,500 co-pay is far above a reasonable upfront payment that a low-to-moderate income renter could, or should, be expected to pay. The contradiction between these two CEO statements demonstrates that the Company’s specific TOB proposal will not operate to increase low- or moderate-income customers’ access to energy efficiency programs.

More concerning, the CEOs do not believe that customers “should be prohibited from participating in TOB by choice *even if they could utilize lower-cost options*.”<sup>18</sup> The CEOs’ numerous references to “lower-cost” options is misleading since a low-income customer’s “choice” is not one between TOB and a lower-cost option. Instead, the choice is actually one between TOB and a **free** option. From the Joint Commentors’ perspective, no low-income customers should participate in the proposed TOB program since achieving any meaningful energy savings will *always* require a significant (and much higher than the CEO’s proposed \$1,500 limit) upfront copayment. Further, we are concerned that customers eligible for free conservation services will not *choose* to participate in the TOB program but, instead, will not be fully aware of those free options. We share the CEOs concern that “the Company must do more than just simply *advise* perspective TOB participants of available lower-cost offerings.”<sup>19</sup>

As described in ECC’s Initial Comments, the Company’s current LIRE program provides comprehensive services, at no cost, to income-eligible customers. ECC stated:

LIRE offers property owners, renting to low-income tenants in one-to-four unit dwellings, a free energy audit and requires landlords to pay one-half of any recommended energy upgrades, including attic and wall insulation, air-sealing, exhaust fans, furnaces, boilers, and water heaters. Tenants receive the benefit of lower monthly natural gas bills without any financial obligation of any kind.<sup>20</sup>

While the CEOs argue that residential ratepayers should not be required to pay for the \$100 proposed TOB energy assessment fee, they do not mention the proposed \$475 TOB program administration fee. Even if the co-payment amount was limited to \$1,500 as the CEOs recommend, the total upfront cost to a potential TOB participant is \$1,975 (assuming the \$100 assessment fee is waived). The CEOs claim that these costs would “still allow” renter participation in the proposed TOB program. We strongly disagree.

In a duplex property typical of LIRE participation, one tenant lives on an annual income of \$20,000 and the other on an income of \$26,000. Under the TOB proposal, even with the CEO’s proposed co-payment cap of \$1,500, low-income tenants would be required to pay upfront costs of \$1,975. That amount represents nearly *ten percent* (.098) of the lower-income tenant’s *annual income* and nearly eight percent (.076) of the tenant living on \$26,000 per year. These costs are required just to initiate the TOB repayment process, a process that also requires low-income tenants to assume the subsequent risk that the financed measures result in actual energy savings.

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<sup>16</sup> Page 22 of the CEO’s February 4, 2022 Comments in this docket.

<sup>17</sup> *Id.* at 43.

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* (original emphasis).

<sup>20</sup> Page 2 of ECC’s February 4, 2022 Comments in this docket.

The Joint Commenters believe that it is unreasonable and inappropriate to charge renters, particularly low-income renters, the high upfront costs for energy efficiency improvements proposed by the CEOs. Unfortunately, however, shifting high upfront costs to renters is a key component of the TOB model. The CEO's suggest that the Commission could "require CenterPoint Energy to secure any co-payment from the landlord, not tenants." While we agree that landlords should pay for upgrades to their own properties, requiring landlords to pay the upfront charges does not eliminate the split incentive that TOB program models aim to address. The CEOs acknowledge this fact stating that, under the TOB model, "landlords do not have to pay for upgrades where the savings is realized by their tenants, so TOB addresses the long-standing split incentive between renters and landlords."<sup>21</sup>

In other words, the Joint Commenters do not believe that the CEO's proposed TOB program overcomes any of the barriers to energy efficiency programs described by the CEOs. In fact, the only way they propose to overcome those barriers is to place the cost for removing them on low-income people and renters.

#### ***D. The CEOs propose a fundamentally different program***

CenterPoint Energy and the City have worked to design the proposed TOB tariff over a number of years. They participated in a study stakeholder group conducted by the University of Minnesota in 2019,<sup>22</sup> filed a proposed tariff in the Company's 2019 rate case, conducted another stakeholder process over the summer of 2021, and requested an extension in June 2021, before filing the current proposal in September 2021. There were many opportunities for stakeholder responses to the filing.

Despite these opportunities for comment, we are not aware of the CEOs providing the current recommended changes until their February 4, 2022 Comments in this docket. Those proposed changes amount to a fundamentally different program than the one proposed in this docket. The CEOs suggest changes to:

- The Company's rate of return on energy efficiency investments
- The amount of return charged to participants and the amount charged to ratepayers
- The Company's proposed disconnection policies for participants who miss payments
- Treatment of startup costs as a capital expense
- The total allowed budget, and the potential effect on total participation
- Require landlords to make copayments
- A separate alternative which would limit tenant co-payments
- A stakeholder process to deal with enrollment, eligibility, and referral issues
- A new stakeholder process to develop additional evaluation metrics
- A separate report on metrics that the CEOs have identified as important
- Tracking of disputes and resolutions and, potentially, third-party dispute resolution

In short, the CEOs have proposed an entirely different program with a different budget, a different set of practices and procedures, and additional stakeholder processes. Many of these issues could have been raised, and potentially were raised, in one of the previous stakeholder processes. It is likely, therefore, that the Company and the City considered those suggestions, but ultimately, designed a program that did not include these suggestions.

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<sup>21</sup> Page11 of the CEO's February 4, 2022 Comments in this docket.

<sup>22</sup> "Tariffed On-Bill Financing Feasibility: Assessment of Innovative Financing Structures for Minnesota." Cadmus. August 2019. [http://energytransition.umn.edu/wp-content/uploads/2019/08/Minnesota-TOB-FinancingFINAL\\_AH-1.pdf](http://energytransition.umn.edu/wp-content/uploads/2019/08/Minnesota-TOB-FinancingFINAL_AH-1.pdf)

Comments provide an opportunity for recommending potential modifications to a filing but, they are not the appropriate means for introducing a new program. Parties have not had an opportunity to fully vet the CEO program proposal and we do not believe that the CEO proposal results in an equitable or cost-effective program. Further, we do not know if CPE and the City will accept any of the changes included in the new proposal filed by the CEOs.

We recommend the Commission reject this new CEO program proposal, as it is not the program they have been asked to consider. Instead, we recommend the Commission deny the petition for the reasons we stated in our initial comments.

### III. THE CADMUS STUDY

Multiple parties cite the 2019 Cadmus TOB Feasibility as support for the Company's TOB proposal. Cadmus conducted this study on behalf of the Energy Transition Lab, a program of the Institute on the Environment at the University of Minnesota ("UMN"). The study assessed the feasibility of a TOB program for multiple utilities across Minnesota. In their comments, Community Power stated "the UMN and Cadmus Feasibility study for Inclusive Financing in Minnesota showed wide-reaching applicability of the tool in Minnesota across 4 distinct utility service territories particularly for insulation and air sealing, even *without* factoring in rising or spiking gas prices."<sup>23</sup> Similarly, the CEOs claim "the study found there were good opportunities for TOB programs in Minnesota if the programs were well designed."<sup>24</sup>

The Joint Commenters respectfully disagree with these statements. We note that the Cadmus study used unrealistically low costs, including costs for energy efficiency measures, program delivery, and administration.<sup>25</sup> Further, even with those low-cost assumptions, we believe Cadmus came to a less optimistic conclusion about the feasibility of a CPE gas program than Community Power and the CEOs claim. In fact, the study report concluded that "the greatest opportunities were for envelope measures in homes heated by electricity or propane."<sup>26</sup>

#### ***A. Cadmus Study Costs do not reflect the costs of the Company's TOB project costs***

The Cadmus study used a set of theoretical assumptions about utility costs, project costs, costs of capital, and even a theoretical "inflated gas price" as it studied numerous gas and electric costs in several Minnesota utility service territories. As indicated in the table below, many of the cost assumptions in the study were unrealistically low. While the costs in CenterPoint Energy's current TOB proposal represent a more realistic set of measure costs, ECC previously pointed out that several of the Company's assumed measure costs are still underestimated.<sup>27</sup> The CPE TOB proposal also includes much higher start-up costs and program delivery costs, indicating the complexity of the proposal—complexities and the associated costs that are not considered in the

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<sup>23</sup> Page 12 of Community Power's February 4, 2022 Comments in this docket.

<sup>24</sup> Page 14 of CEO's February 4, 2022 Comments in this docket.

<sup>25</sup> Moreover, the Cadmus study recommended the proponents of TOB seek legislative authority before seeking PUC approval of this pilot. Though citing the Cadmus study to support its proposal, the proponents ignored Cadmus' counsel to first obtain statutory authorization: (1) to resolve legal uncertainty; (2) to avoid a potential, and likely successful, legal challenge; and (3) because of the precedent of other similar energy efficiency programs, such as the On-Bill Repayment Program and Property Assessed Clean Energy Program, both of which sought and obtained the imprimatur of the legislature. Cadmus Study, Appendix 2, Memorandum, at 77–79.

<sup>26</sup> Cadmus Study, p. 51.

<sup>27</sup> ECC Initial Comments, February 4, 2022, pp. 5-6.



Cadmus study. We provide a comparison of the assumed costs in both the Cadmus study and the CPE proposed TOB below:

	Cadmus study costs	CPE TOB Filing Costs
Wall Insulation	\$2,398	\$3,466
Attic Insulation	\$1,721	\$1,968
Furnace Replacement	\$3,149	\$4,633
Start-up Costs	\$475,000	\$1 million
Program Delivery Costs	\$650,000	\$2.2 million

Because the Cadmus study's low costs do not reflect the actual market, the Cadmus study is far more likely to lead to a more optimistic picture of a potential CPE TOB program. As CEE pointed out in their initial comments, the Company's TOB proposal is not cost-effective.<sup>28</sup>

***B. The Cadmus study conclusion does not support CenterPoint Energy's proposed TOB***

Even with the assumed low costs, the Cadmus study conclusion is not as optimistic as Community Power and the CEOs claim. The study shows that, even assuming lower costs and while using capital costs much lower than the Company has actually proposed, most projects would require high customer co-payments in order to meet the 80/20 rule. Cadmus noted that homes with electric heat demonstrated better results but "[b]y contrast, homes with natural gas heat present the lowest opportunity [for energy savings]." Only by incorporating homes that were significantly under insulated, by using unrealistic measure costs, low costs of capital, and administrative costs well below CPE's proposed costs, did the Cadmus study produce a positive cash-flow.

In short, the Cadmus study is not a good reflection of current energy efficiency market installation or delivery costs, and it does not portray an optimistic view of the Company's proposed TOB program. Nevertheless, the CEOs conclude the Cadmus study "ultimately...found there were good opportunities for a TOB program in Minnesota, including for gas utilities, and that such programs could be cost-effective with the right program participation levels and program administration costs."<sup>29</sup>

We disagree with this interpretation of the study. More importantly, the CEOs' conclusion is based on a theoretical example of program and not the filed program proposed for the Commission's consideration. The only data the Commission should use to draw conclusions about the Company's proposal should be based on the proposal itself.

## **CONCLUSION**

The low-income CIP and federal WAP funding level increases outlined in ECC's Initial Comments demonstrate how free conservation services can be scaled to assist significantly more low-income households (originally included as Attachment F to those comments). Further, since initial comments were filed in this docket, the Department has proposed guidance for pre-weatherization measures included as part of the ECO act. Minn.

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<sup>28</sup> Pages 4-10 of CEE's February 4, 2022 Initial Comments in this docket.

<sup>29</sup> Page 27 of CEO's February 4, 2022 Comments in this docket.

Stat. § 216B.241 subd. 7(f) states that “up to 15 percent of a public utility's spending on low-income programs may be spent on preweatherization measures.” The measures under consideration by the Department include removal of vermiculite and knob-and-tube wiring that previously prevented insulating attics, measures that were not previously allowed under utility low-income CIP programs. These measures will eliminate many of the physical barriers to low-income participation in CIP, allow for more comprehensive treatment of individual homes, and will increase the health and safety of occupants.

The Joint Commenters reaffirm several of our previous recommendations and respectfully request the Commission:

- 1) Find that the TOB program is not in the public interest and deny the TOB Petition.
- 2) Require CPE to file the proposed low-income CIP program (in Q2 2022) for 5-20 unit buildings with an annual budget of at least \$1,000,000.
- 3) Order CenterPoint Energy to work with interested parties to develop and file, no later than December 31, 2022, CIP offerings to target and better serve low- and moderate-income homeowners and renters.
- 4) Order the company to, no later than December 31, 2022, propose an expansion of the LIRE program of at least an additional \$1 million each year for one-to-four-unit rental properties.
- 5) Order the company to, as soon as possible, increase targeted marketing of its CIP services in Minneapolis Green Zones, with specific focus on increasing customer awareness of geographic eligibility for free CIP services through the company's LIW and LIRE programs.
- 6) Order the company to, as soon as possible, increase targeted marketing of its CIP services in Minneapolis Green Zones, with specific focus on increasing property-owner awareness of geographic eligibility for the company's LIRE program.

Respectfully submitted,

March 4, 2022

/s/ Pam Marshall  
Executive Director  
Energy CENTS Coalition

/s/ Audrey Partridge  
Director of Regulatory Policy  
Center for Energy and Environment

/s/ Ron Elwood  
Supervising Attorney  
Legal Services Advocacy Project

Pam Marshall certifies that on the 4<sup>th</sup> day of March 2022, she served, by electronic filing, the Reply Comments of the Energy CENTS Coalition, Center for Energy and Environment, and Legal Services Advocacy Project In the Matter of a Petition by Centerpoint Energy and the City of Minneapolis to Introduce a Tariffed On-Bill Financing Pilot Program, Docket No. G-008/M-21-377, to the individuals on the attached service list.

*Pam Marshall*

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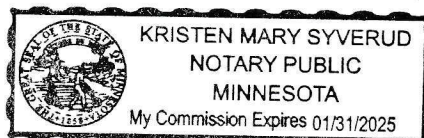
Pam Marshall

*KLS*

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Kristen Syverud

Subscribed and sworn to before me  
this 4<sup>th</sup> day of March 2022



Notary Public

[illegible]

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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Amber	Lee	Amber.Lee@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-377_M-21-377
Roger	Leider	roger@mnpropane.org	Minnesota Propane Association	PO Box 220 209 N Run River Dr Princeton, MN 55371	Electronic Service	No	OFF_SL_21-377_M-21-377
Eric	Lindberg	elindberg@mncenter.org	Minnesota Center for Environmental Advocacy	1919 University Avenue West Suite 515 Saint Paul, MN 55104-3435	Electronic Service	No	OFF_SL_21-377_M-21-377
Michael	Loeffler	mike.loeffler@nngco.com	Northern Natural Gas Co.	CORP HQ, 714 1111 So. 103rd Street Omaha, NE 681241000	Electronic Service	No	OFF_SL_21-377_M-21-377
Alice	Madden	alice@communitypowermn.org	Community Power	2720 E 22nd St Minneapolis, MN 55406	Electronic Service	No	OFF_SL_21-377_M-21-377
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-377_M-21-377
Joseph	Meyer	joseph.meyer@ag.state.mn.us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St Paul, MN 55101-2131	Electronic Service	No	OFF_SL_21-377_M-21-377
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_21-377_M-21-377
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377

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Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351  Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_21-377_M-21-377
Mike	OConnor	moconnor@ibewlocal949.org	Local 949 IBEW	12908 Nicollet Ave S  Burnsville, MN 55337	Electronic Service	No	OFF_SL_21-377_M-21-377
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-377_M-21-377
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-377_M-21-377
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206  St. Paul, MN 551011667	Electronic Service	No	OFF_SL_21-377_M-21-377
Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377
Emma	Schoppe	emma.schoppe@centerpointenergy.com	CenterPoint Energy Minnesota Gas	505 Nicolette Mall  Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-377_M-21-377
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-377_M-21-377
Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377

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James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377
Andrew	Sudbury	Andrew.Sudbury@CenterPointEnergy.com	CenterPoint Energy Minnesota Gas	505 Nicollet Mall PO Box 59038 Minneapolis, MN 55459-0038	Electronic Service	No	OFF_SL_21-377_M-21-377
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_21-377_M-21-377
Amelia	Vohs	avohs@mncenter.org	Minnesota Center for Environmental Advocacy	1919 University Avenue West  Suite 515 St. Paul, Minnesota 55104	Electronic Service	No	OFF_SL_21-377_M-21-377
Samantha	Williams	swilliams@nrdc.org	Natural Resources Defense Council	20 N. Wacker Drive Ste 1600 Chicago, IL 60606	Electronic Service	No	OFF_SL_21-377_M-21-377
Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine	225 South Sixth Street, Suite 3500  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-377_M-21-377
Jonathan	Wolfgram	Jonathan.Wolfgram@state.mn.us	Office of Pipeline Safety	Minnesota Department of Public Safety 445 Minnesota Street Suite 147 St. Paul, MN 55101-1547	Electronic Service	No	OFF_SL_21-377_M-21-377