



# Resilient Cities & Communities

Visionary People. Vibrant Places. Regenerative Futures.

March 3, 2022

Mr. Will Seuffert, Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350,  
St. Paul, Minnesota 55101-2147

**RE: PUC Docket No. G-008/GR-19-524 Additional Comments – March 3 2022 supporting the approval of Center Point Energy's Proposed Tariff On Bill (TOB) Financing Pilot Project**

Dear Mr. Seuffert:

Resilient Cities and Communities is asking the **MN Public Utilities Commission to approve** CenterPoint Energy's proposed three year inclusive **Tariff On Bill Pilot** in CenterPoint territory to

- Enable more renters, homeowners, and landlords to make needed up front energy efficiency investments to fix leaky homes with no debt, no upfront cash, no income-check, and energy savings starting from year one
- Supplement and expand participation in currently available options for energy efficiency. The proposed pilot program is designed to help connect interested customers with income-eligible utility programs and the Weatherization Assistance program where additional federal funds are now available
- Scale up equitable implementation of home weatherization across multiple cities with thousands of households to help meet state and local climate goals while improving resilience
- Expand green workforce and BIPOC small business opportunities in energy efficiency
- Protect participating households with built in protections so that customers don't pay more monthly for the efficiency upgrades than what they save over the course of a year
- Expand participation in home weatherization by more customers including renters, low-income and other underserved customers. Cost recovery is tied to the utility meter rather than the customer, making the approach an appealing.

Over the past four years through our Planning for Resilient Cities workshops Resilient Cities and Communities has supported more than 30 metro cities (and four cities in greater MN) to include climate mitigation, resilience and energy goals in their new 2040 Comprehensive Plans.

**Many MN cities will soon require home and apartment energy transparency** - generating much greater demand for residential weatherization. **Many cities have adopted or will soon**

- adopt **energy benchmarking** ordinances and **sustainable building policies**
- add home energy assessment to **truth in sale of housing inspections** and
- expand city energy efficiency outreach with **renters and multifamily** buildings.

**Currently available funding programs will not be able to meet this increased demand.**

City energy transparency policies will expand the number of home owners, apartment owners and renters seeking low cost accessible financing to implement recommended energy efficiency improvements they receive after home and/or apartment energy audits or inspections.

- [rccmn.co/hennepin-communities/](https://rccmn.co/hennepin-communities/) [rccmn.co/buildings/](https://rccmn.co/buildings/) [www.hennepin.us/climate-action](https://www.hennepin.us/climate-action)
- [www.hennepin.us/your-government/projects-initiatives/efficient-buildings-collaborative](https://www.hennepin.us/your-government/projects-initiatives/efficient-buildings-collaborative)

The growing amount of residential energy efficiency retrofit work we anticipate is much larger than what can be covered by currently available CIP and LIHEAP program funds. Currently available CIP and LIHEAP funds do not match the scale of the energy efficiency work that metro cities anticipate doing in the next 5 years. CenterPoint Energy's proposed Tariff on Bill (TOB) pilot project will unlock millions in additional low cost local capital for home energy retrofits enabling rapid acceleration of city-wide home weatherization efforts.

**Upfront costs are a significant barrier to clean energy upgrades and currently available home energy efficiency programs in Minnesota are not accessible to all interested households.**

Currently available financing is accessible only to those households financially comfortable enough to pay for energy efficiency improvements upfront, qualify for a loan, or who can prove income eligibility for assistance (capped at ~\$56,992 total for a household of 3 or \$89,450 for household of 6). The status quo leaves out many in the middle and has caused many cities to fall far short of meeting their Climate Action Plan goals for home energy efficiency retrofits.

**Tariffed on bill programs across the county have proven to be cost effective in filling gaps and expanding the number of participating households -**

- Please see the research from **Clean Energy Works**.  
[www.cleanenergyworks.org/2022/01/01/introduction-2Dto-2Dinclusive-2Dutility-2Dinvestments](https://www.cleanenergyworks.org/2022/01/01/introduction-2Dto-2Dinclusive-2Dutility-2Dinvestments)

**Many cities would like to add TOB financing to their menu of energy efficiency funding options to enable additional lower income households living in rental units to make energy efficiency improvements.**

CenterPoint Energy's proposed three year inclusive **Tariff On Bill Pilot Project** will **empower renters and property owners** to make **cost-effective energy efficiency** improvements, to help **accelerate the pace of residential energy retrofits** to meet city greenhouse gas reduction goals on time.

Through this proposed pilot project cities, CAP Agencies and nonprofit partners will be able to supplement existing CIP and LIHEAP funding programs with TOB financing to meet the energy efficiency needs of additional households & property owners that are currently not being reached.

CenterPoint Energy's proposed TOB Pilot Project could potentially involve multiple interested cities and benefit thousands of renters and apartment owners while helping their cities to achieve their GHG reduction and affordable housing goals by making low cost financing for cost effective energy improvements more widely available. This TOB financing tool will

- not burden on household or city budgets
- eliminate the need for participants to have high **credit scores** and
- empower renters to **make cost-effective energy efficiency improvements**.

**Long term local job creation, workforce development and small business growth in the residential energy efficiency sector depend on stable sources of funding** that do not rely the highly variable city, state and federal budgets. CenterPoint Energy's proposed TOB pilot project will make available **millions in low cost financing for residential energy improvements** helping to stimulate local job creation, workforce development and small business growth in this sector.

Through this proposed pilot project, CenterPoint would be the first utility in Minnesota to offer a tariff for site-specific upgrades with on-bill cost recovery and a host of consumer protections that have been field tested for more than a decade. Thanks so much for receiving our comments in support of this proposed pilot project.

Sustainably,

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