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Minnesota

Minnesota ranked ninth in *The 2017 State Energy Efficiency Scorecard*, rising one position compared to last year. The state scored 33 points out of a possible 50, 2 more than it earned last year. Minnesota continues to rank among the top energy-efficient states in the nation, although rural efficiency efforts suffered a setback recently following legislation exempting small electric cooperatives from the state's Conservation Improvement Program. Grid modernization and integrated systems planning efforts continue under the e21 Initiative, which wrapped up its second phase this year with the release of a series of white papers outlining targeted recommendations to help guide stakeholder engagement in the initiative's ongoing implementation phase. The state has also invested in policies and programs to drive efficiency in other sectors. For example, Minnesota has undertaken a comprehensive set of activities to ensure building energy code compliance. The government's lead by example initiatives also signals commitment to energy efficiency.

UTILITIES (14.5 OUT OF 20)

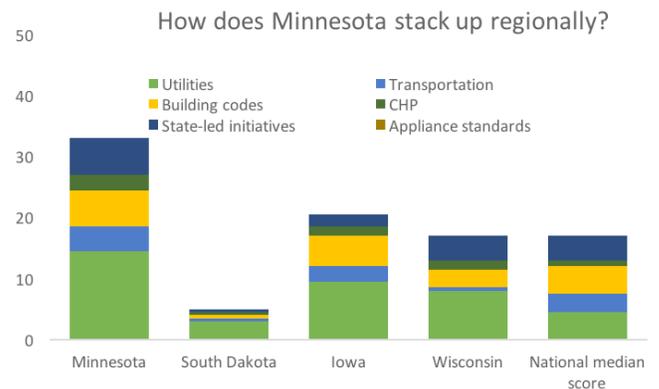
The state's utilities administer both electricity and natural gas efficiency programs, and continued to post high levels of energy savings in 2016, especially among its natural gas programs, which led the country with savings of 1.4%. Minnesota has long-term savings targets in place for both electricity and natural gas as part of its energy efficiency resource standard; however these efforts were undercut recently when the state passed legislation exempting small cooperatives from the state's Conservation Improvement Program. Decoupling and performance incentives are in place for utilities, which value energy efficiency as a low-cost utility system resource.

TRANSPORTATION (4 OUT OF 10)

The state adopted legislation in 2010 that provides significant funding for transit maintenance and construction, although funding levels have dropped in recent years. Minnesota has complete streets legislation in place, and finalized a freight plan in 2005.

BUILDING POLICIES (6 OUT OF 8)

In 2015, the 2012 IECC became effective for both residential and commercial buildings. The state offers code training and



outreach, and completed a baseline compliance study in September 2013. The study estimated average compliance rates with the 2009 IECC of 76.8% for residential buildings and 91.8% for commercial buildings. Minnesota completed a gap analysis in 2014 and convenes a codes collaborative.

COMBINED HEAT AND POWER (2.5 OUT OF 4)

The state has an interconnection standard and offers deployment incentives for cost-effective and efficient CHP projects. Additional supportive policies are also in place to encourage renewable-fueled CHP. No new CHP installations were completed in 2015.

STATE GOVERNMENT-LED INITIATIVES (6 OUT OF 6)

The state earned a perfect score for state government-led initiatives, which include multiple loan programs and energy efficiency investments. Minnesota has enabled Property Assessed Clean Energy (PACE) financing and has several active programs. The state government leads by example by setting energy requirements for public buildings, benchmarking energy use, and encouraging the use of energy savings performance contracts. There are several research and development programs focused on energy efficiency within the state.

APPLIANCE STANDARDS (0 OUT OF 2)

Minnesota has not set appliance standards beyond those required by the federal government.

MULTIFAMILY ENERGY SAVINGS PROGRAM

Through the Multifamily Energy Savings program, Minnesota Energy Resources, the state's third-largest gas utility, and the nonprofit Center for Energy and Environment (CEE), provide free energy assessments and energy-saving installations to low-income multifamily residents in rural Minnesota. In 2016 alone, the program installed high-efficiency materials in over 1,500 units and saved over 8,500 dekatherms. The program is part of Minnesota's Conservation Improvement Program (CIP), which requires utilities to provide energy efficiency opportunities to their customers, and generates about four dollars in benefits for every dollar invested.

