

Rochester EIC Strategic Energy Project Plan

**An Output of the Energy Integration Committee
Strategic Energy Project Planning Process 2018-2019**

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Energy Project Planning Process & Background

The Destination Medical Center's (DMC) Energy Integration Committee (EIC) was formed and exists to help advance the energy and carbon goals of the DMC and the City of Rochester. As an established working group of representatives from Mayo Clinic, the City of Rochester, Destination Medical Center, Rochester Public Utilities, Minnesota Energy Resources, and Olmsted County, the EIC is tasked with the collaboration and coordination of energy infrastructure projects within the DMC as well as citywide. Though the EIC already regularly convenes to achieve its task, the intent of this Plan is to formalize the commitments and roles of the Committee, to align and build consensus on disparate goals, and to provide prioritized strategies and actions over time to achieve these goals.

The goals of this project planning process were to go beyond supporting incremental building efficiency and renewable energy generation; the intent of this process include a significantly more coordinated, actionable path toward achieving the energy and carbon goals of the EIC that is aligned with the broader goals of Committee members and the community. Over the course of four facilitated workshops, this project planning process began by elevating the vision and intent of the Committee, so that each member organization had a clearer sense of its role and ability to overcome barriers to commitment. Next, the process focused on a collective understanding of major development milestones and organizational deadlines relevant to the goals and actions of the EIC and their respective organizations. Lastly, the process refined and prioritized the most impactful, time-sensitive strategies and actions by focus area for the EIC to pursue as well as proposed solutions to potential barriers to achieving the EIC's carbon and energy goals.

As the actions and strategies of this Plan are accomplished, it will be important to celebrate successes and progress along the way. Some of these victories include increased renewable energy procurement, the roll-out of enhanced utility conservation programs and services, deeper energy savings for customers, and access to financing options available for building energy improvements.

I. EIC Energy & Carbon Goals

During the Energy Action Planning process, the Committee reaffirmed their commitment to city-level and DMC-level goals. The objective of the Committee is to help identify, develop, support and participate in efforts that achieve the City and DMC energy and climate goals outlined below.

City of Rochester's Energy & Climate Goals (Energy Action Plan, 2016):

1. 1.5% annual retail energy efficiency savings (aligns with current state goal)
2. 25% renewable energy by 2025 (Minnesota Renewable Energy Standard)
3. Statewide greenhouse gas (GHG) emissions reductions of 15% by 2015, 30% by 2025, 80% by 2050

DMC Energy & Climate Impact Goals (DMC Development Plan, 2015):

1. Attain carbon neutrality across the DMC District
2. 25% energy reduction below 2010 levels by 2030
3. Reduce DMC-wide emissions per square foot by 80% below 2005 levels by 2050

II. Timeline & Critical Path

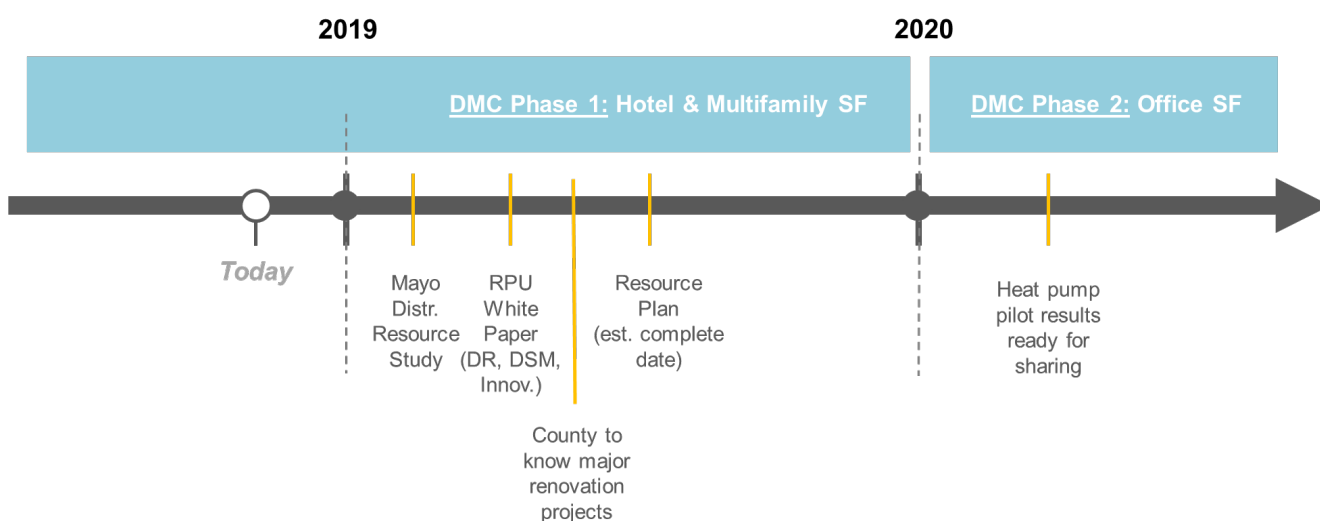
This section reflects the inventory and evaluation of deadlines and constraints that the EIC should consider as they create an organized, prioritized Project Plan. The activities inventoried during project planning include DMC and City development timelines, capital improvement planning cycles, release of reports and studies, funding

opportunities, planning and regulatory processes, contract terminations, and terms and cycles for elected and appointed officials.

The project planning process required the EIC to prioritize where they want to focus their efforts and attention. Like all organizations and businesses, the EIC is bound by the constraints of time, effort, and resources. Many opportunities lie ahead, and the prioritization effort of the EIC captured here reflects careful thought around how staging can maximize impact, as well as upcoming windows of opportunity for key decisions. Exercises such as evaluating strategies based on potential impact and considering the extent to which the EIC has influence or control over a strategy were instrumental in honing their focus.

To determine *critical path* actions (those that must be completed within a certain timeframe to leverage an opportunity), the EIC inventoried relevant events and deadlines that lie ahead in the next 12 to 18 months. Between January 2019 and April 2020, there are a number of deadlines that are relevant to the activities and goals of the EIC. These events are laid out below.

Figure 1. Near-Term Deadlines & Opportunities (Present to 2021)



Rochester Public Utilities Milestones

In 2019, RPU is publishing two major documents that the EIC can influence. The Resource Plan is the first of these and will consider the resource needs of Rochester over a 20-year period from 2020 to 2040. A proposed plan will be submitted by RPU staff to the Rochester Public Utilities Board (RPU Board) in June 2019 (anticipated) for review and approval. The Committee and its member organizations will have the formal opportunity to comment on the proposed resource plan once it is submitted to the RPU Board as the plan will have an impact on the pursuit on the organization’s internal environmental goals and planning efforts as well as broader community energy and climate goals. The Committee should consider opportunities to engage RPU staff well before this time. Earlier engagement would allow the EIC to offer substantive input and have an active conversation around interests and concerns. Further, earlier input would allow staff to consider additional technical assumptions and propose scenarios that may broaden the plan’s support once submitted to the RPU Board. This is an important opportunity for the EIC to have lasting input about the electricity resource supply mix and local renewable development, as this planning process occurs every five years.

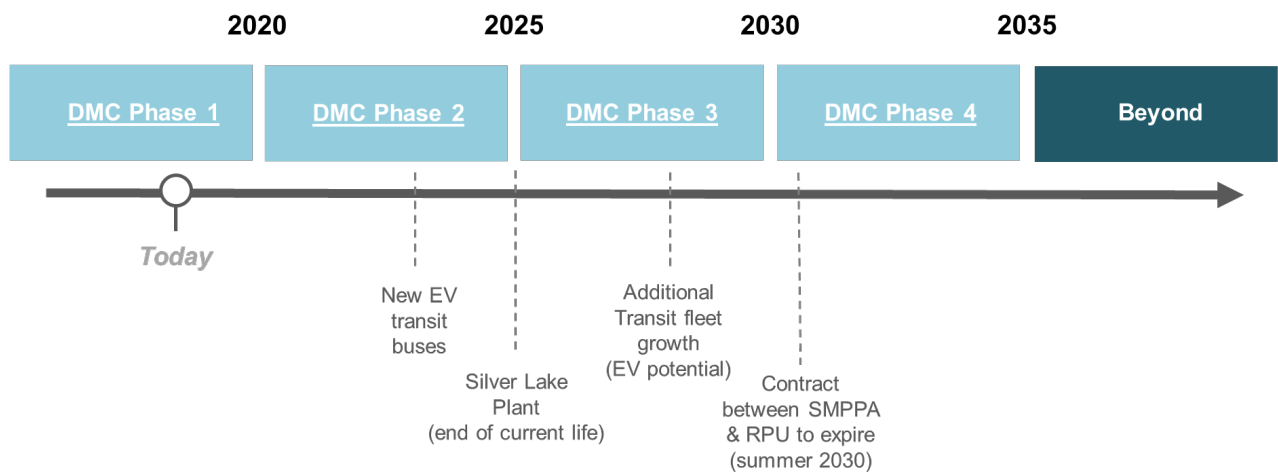
The context that RPU will consider within this resource plan includes the planned end of life of the existing Silver Lake gas steam plant, which currently only services Mayo buildings, and the end of the Power Sales Contract between Southern Minnesota Municipal Power Agency (SMMPA) and the City of Rochester. The Power Sales Contract with SMMPA, which is in effect until April 1, 2030, is a large opportunity for RPU to rethink its resource mix.

RPU is also working on a white paper exploring projections and opportunities for demand response, which it also plans to submit to the RPU Board in summer 2019 as part of its overarching Infrastructure Plan. This paper will assist RPU determine the economic value of demand response programs and understand the future implications of new technology like battery storage and electric vehicle adoption. The EIC is interested in having RPU consider these technology advancements as they map out least-cost options for addressing distribution system needs. Once released, RPU has agreed to present the findings of the white paper to the EIC as an opportunity for them to engage RPU and share information about how these alternative distribution investments may serve the energy and carbon reduction goals of the City and DMC.

Other Deadlines

A number of deadlines highlighted in Figure 1 and Figure 2 occur annually, such as capital improvement planning for the City, County, and Mayo (which tend to end in late summer each year). Others are unique to 2019, such as Mayo’s Electrical Supply Check-up Study. In preparation for significant growth in the next five to 10 years, in November 2016 Mayo contracted a third party to complete Mayo’s Downtown Campus Utility Master Plan, which looked at resource needs and expansion scenarios for their district energy system. In February/March of 2019, Mayo Clinic will complete its Electrical Supply Check-up Study to assess how it can reduce carbon emissions associated with energy consumption as well as increase resilience. A new mixed-use residential project being developed within the DMC district will also complete a pilot looking at the effectiveness of using air source heat pumps to serve the entire building. The initial results of this pilot should be ready for sharing in early 2020. Separately, the County is hoping to finalize an outline in 2019 of the major building renovation projects that will take place over the next few years. This, along with ongoing development across Mayo and DMC (see Figure 3), will create a ripe environment for conservation programs focused on design assistance, procurement of high-performance design, and recommissioning to have high impact.

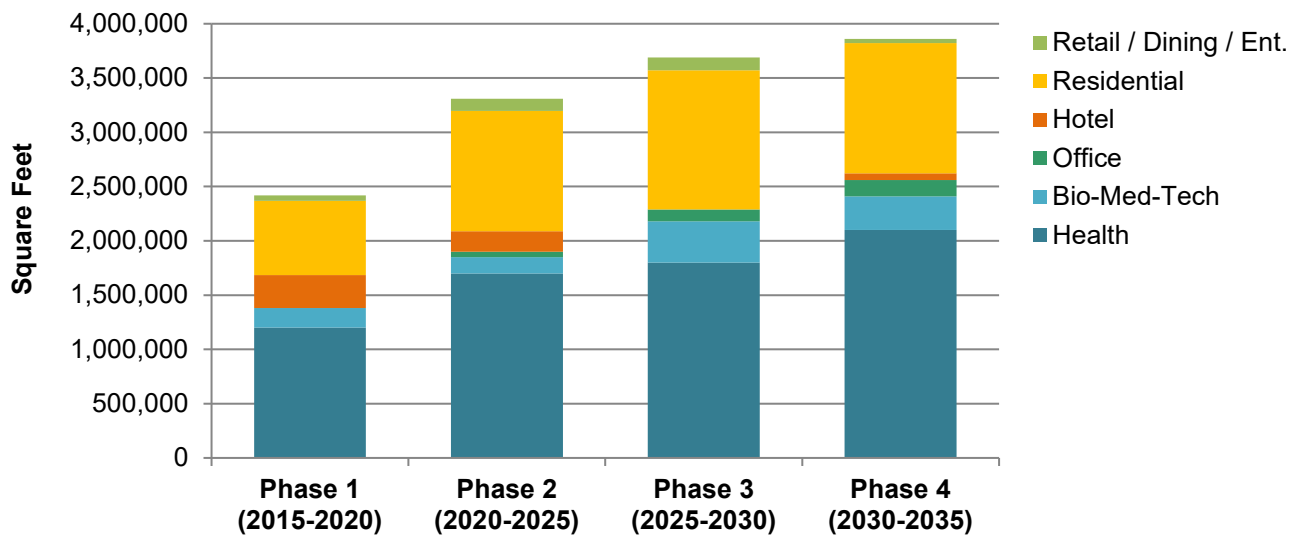
Figure 2. Deadlines & Opportunities for Determining Critical Path Activities (present to 2040)



Other deadlines for consideration are the Mobility Hub planning process that is currently convened through the Destination Medical Center, City of Rochester, Olmsted County, and Mayo Clinic. The west hub is planned to be sited at the Mayo west lot and the south hub is planned to be sited at Graham Park. The EIC should offer input on these developments as the planning and construction process presents many opportunities to work towards the goals identified.

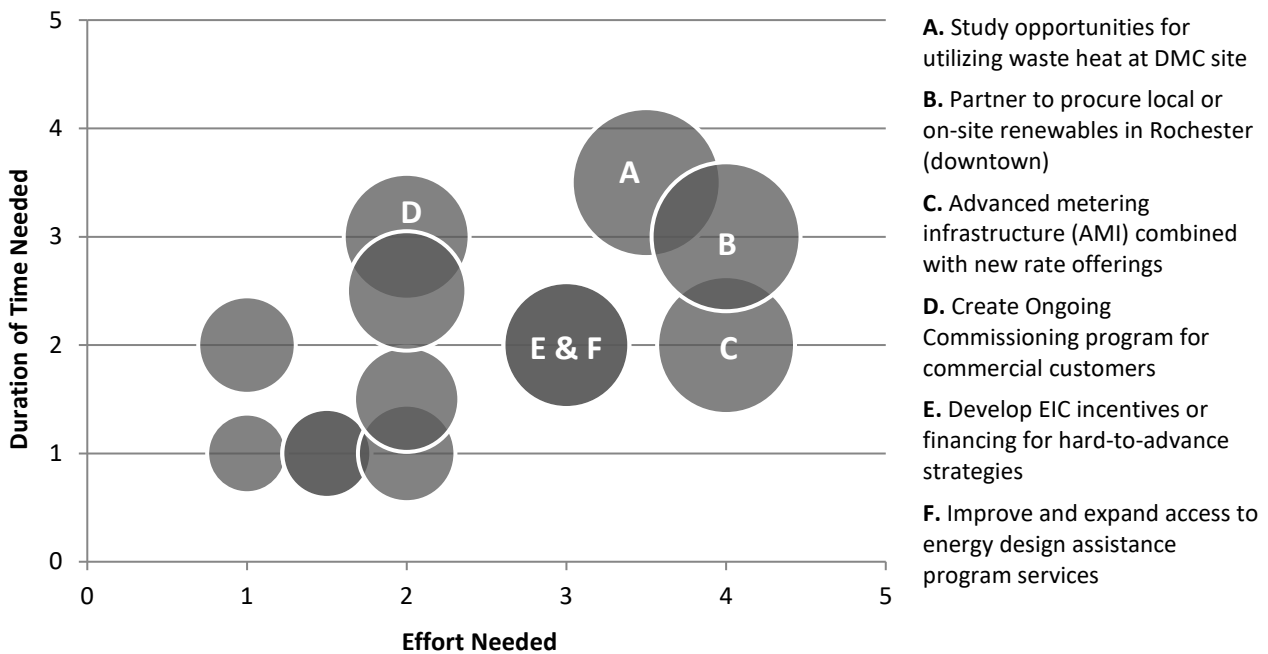
Other transportation-related deadlines include purchasing decisions that the Rochester Public Transit (RPT) (Rochester’s public transit authority) will make regarding vehicle replacements and purchasing electric buses. While it has already been decided that RPT will purchase nine electric buses to put in service by approximately 2023, the fleet plans to grow and will require additional turnover and purchasing by 2028. Knowing this timeline creates an opportunity for the EIC to coordinate with RPT and other potential partners, such as other mobility service providers and the broader business community.

Figure 3. DMC and Mayo Development by Phase. The square footage captured in this figure includes growth at DMC as well as all Mayo growth across all Rochester campuses, not just downtown.



Level of effort and the duration of time¹ needed to develop a strategy are important factors that the EIC considered when prioritizing actions. As seen in Figure 4, seven of the 13 strategies ranked by the EIC for impact require a relatively high degree of effort, duration or time, or both. These high-impact activities or strategies were identified as those that should be positioned in the “immediate-action EIC and facilitators from the Center for Energy and Environment made during the project planning process.” or “early-action” phases of the Project Plan. It is important to note that participation in these strategies will be done on a voluntary basis by the organizations, and in some cases, involvement will require board or council approval.

Figure 4. Comparison of Strategies by Development Effort and Duration of Time Needed



¹ Duration may extend due to approval processes, annual budgets, or the human capacity available to complete a project.

While not shown in Figure 4, there are other strategies that may benefit from being implemented in later phases of the Project Plan, such as developing incentives and financing options for projects that meet City and DMC environmental goals. While tackling this strategy earlier may increase incremental impact over time, waiting allows the EIC to target resources based on areas where opportunities are greatest and incentives or awareness are needed the most.

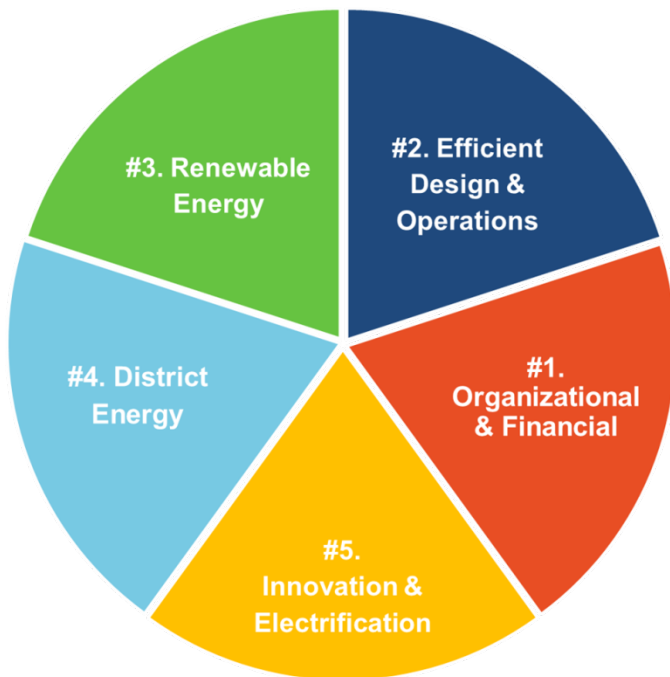
III. Project Plan Focus Areas

This section outlines the five focus areas into which the strategies of this Project Plan are categorized. EIC members developed these focus areas during the planning process, as part of strategy refinement and prioritization activities. While numbered below, the focus areas numerical value assigns no weight indicating its potential value or impact toward the EIC’s goals, as each focus area will serve an important role going forward. Using these focus areas, the EIC considered which strategies fell into each category and considered opportunities under each for the Plan’s phasing.

To meet goals, EIC’s strategies fall in to five primary categories:

1. Organizational and Financing
2. Energy Efficient Design and Operations
3. Renewable Energy (grid-mix and on-site)
4. District Energy
5. Innovation and Electrification

Figure 5. Project Plan Focus Areas



IV. Phased Energy Project Plan

To focus on urgent actions and foundational activities and processes that will help instill Committee collaboration and accountability, this project plan focuses on strategies and efforts that will take place primarily over the next five years.

This plan is organized in three phases. The first of these phases is the “immediate action” phase with strategies that should be implemented in the next 12-15 months. The second phase is the “near-term action” phase and

outlines strategies that should be initiated or completed between 2020 and 2022. The third phase is the “mid-term action” phase, focused on activities and strategies that are less urgent compared to other activities.

Figure 6. Project Plan Phasing



PHASE I – Immediate Action, 2019 & Early 2020

Phase I includes 10 priority actions, which fall across four of the five focus areas identified by the EIC. (See Figure 5.) The intent is that the EIC will initiate each of these activities before the end of 2020. In some cases, these activities are to be completed within 12 to 18 months.

Phase I Actions: Actions are listed in the order in which they are to be initiated or completed by the EIC.

Complete by January through March 2019

1. Create an EIC commitment/charter document – **by end of March 2019**
2. Support Building Benchmarking roll-out through recruitment and recognition – **ongoing**
3. Input from future District Energy subcommittee representatives on consulting services – **by April 2019**

Complete by April through July 2019

4. (a) EIC informed about RPU’s pending Resource (Infrastructure) Plan via presentation – **by April 2019**
 (b) Evaluate alignment between City and DMC environmental goals and Resource Plan; Members will provide input to RPU Board – **by May/June 2019**
5. Respond to pending RPU white paper findings on long-term clean energy and carbon benefits and further consideration of innovative technology integration – **by end of April/May 2019**
6. Begin member procurement of local or on-site renewable energy – **by end of May 2019**

Initiate or Complete by August through March (Q1 2020)

7. Participating organizations to fund an EIC member electric vehicle (EV) fleet conversion study – **begin by end of May 2019**
8. Provide input on DMC Mobility Hub decision-making criteria and design – **by end of 2019**
9. Integrate life cycle costing analysis into member capital improvement plans to evaluate decisions against DMC/City environmental goals – **begin by end of 2019**
10. Evaluate the possibility of a formal joint commercial design assistance program (RPU + MERC) – **begin by end of 2019**

Figure 7. Phase I Action Timeline

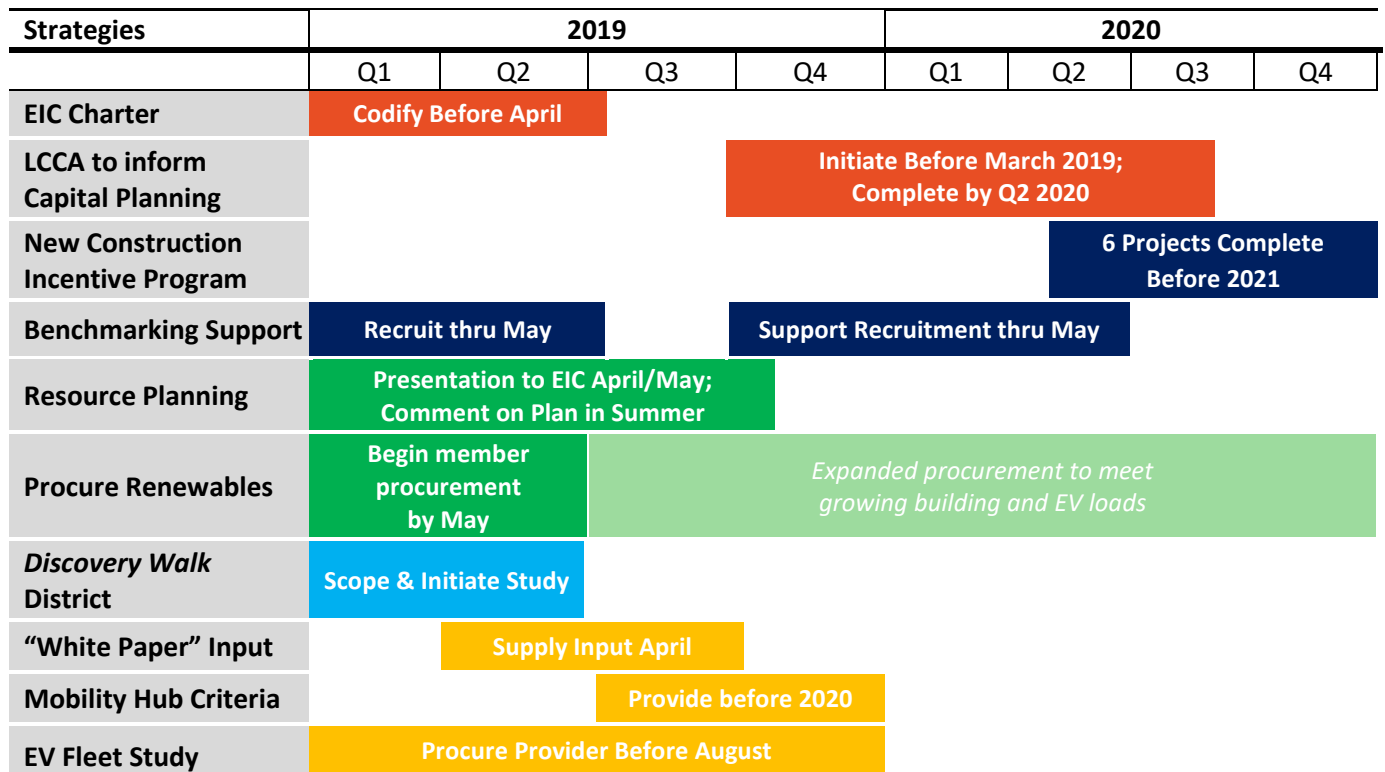


Figure 8. Phase I Action Summary

	Objective	Ask	Approach
<p>O&F</p> <p>EIC Commitment & Charter Document</p>	Strengthen the EIC’s action capacity and accountability through collective commitment and buy-in at the leadership-level	Member organizations commit to advancing goals through the advising, studying or implementation of priority actions	Formal commitment document with 1 or 2 tiers of commitment; initial commitment through 2025, with recurring renewal
<p>Integrate LCCA into Capital Improvement Plan decision-making</p>	Create reoccurring opportunities to align investments with goals, at the department budget level	Identify and adopt one or more investment decision-making criteria that help align decision-making with goals	Make “lifecycle costs” a decision metric instead of “first costs”; expand consideration for options with longer ROI
<p>EE</p> <p>Streamline Joint New Construction Incentive Program</p>	Increase access to and use of energy design assistance program offerings	Utility collaboration (RPU, MERC, and SMMPA) to build one of the most impactful conservation programs in Rochester	Review pilot outcomes to streamline program process, increase user friendliness, and expand marketing breadth
<p>Support Benchmarking Recruitment and Recognition</p>	Increase building operator awareness and accountability of facility performance through benchmarking participation	Help increase benchmarking participation through joint and individual program championing and sharing of participation benefits	Help increase public and building operator awareness about building performance through speaking, hosting events, and recognizing leaders
<p>RE</p> <p>RPU Infrastructure/ Resource Plan Input</p>	Reduce City carbon emissions as cost-effectively as possible	Ensure that achievable, high-penetration renewable scenarios are considered in RPU’s resource plan	Review and comment on proposed resource plan recommendations that align with City/DMC environmental goals
<p>Local Member Renewable Energy Procurement</p>	Increase installed capacity of local renewable energy and help reduce carbon emissions	Work collaboratively to lay out renewable options; members determine solar capacity needs to meet City/DMC environmental goals	Harness the scale and buying power of EIC members to evaluate models such as a buy-thru, green tariffs, or large-scale on-site solar
<p>DE</p> <p>Input on Scope of District Energy Study</p>	Avoid missed opportunities for near-term district energy integration at <i>Discovery Walk</i>	Ahead of forming a District Energy Subcommittee, get key EIC reps to provide insight on what info is vital for studying <i>Discovery Walk</i> options	Prepare technical and financial analysis to evaluate district energy opportunities at <i>Discovery Walk</i> in prep for the Dist. Energy Subcommittee
<p>Inv</p> <p>Respond to RPU Innovative Tech White Paper</p>	Communicate with RPU about supply-side, demand-side, and grid technologies that align with City/DMC goals to avoid missed integration opportunities	Collaborate with RPU to understand findings, ensure appropriate assumptions were evaluated, and how to take a long-term benefit approach to technology options and pilots	Request early presentation of white paper findings to discuss which options could further advance goals, particularly under deep electrification and high-performance scenarios.
<p>Provide Input in Transit Hub planning</p>	Ensure that DMC/City environmental goals are represented in Mobility Hub development criteria to maximize carbon reduction	Promptly supply EIC input regarding Mobility Hub criteria	Offer expert insights to align Mobility Hub criteria with electric distribution capacity and renewable opportunities

Barriers, Solutions & Next Steps Discussion

The following section offers a discussion of the barriers that will need to be overcome to make these strategies successful. It also offers solutions to some of these challenges and guidance on first steps.

Create EIC Commitment Document and Charter

After being established in 2016, the Energy Integration Committee has met monthly and has worked on priorities including a voluntary benchmarking program, a sustainability resolution, and a sustainable building policy. However, the impetus for each member organization varies and no formal or informal commitment to collaboration has been established. While member organizations identified how their involvement and support for one strategy will vary, such as co-funding an electric vehicle fleet study versus investing in local renewable energy, they agreed that a joint commitment to collaborate and assist in strategy implementation would be helpful.

This commitment document and charter will serve two purposes: first to codify that the EIC is a voluntary collaborative committee and forum for all members to bring forward ideas and strategy opportunities that are in pursuit of the City and DMC environmental goals; second, to provide accountability between members and stability of commitment in the face of changing leadership and EIC representatives.

To find balance between accountability, commitment, and value for each member organization, the commitment from members would be renewed on a regular basis. This allows for flexibility in the role of the EIC over time. The first period of commitment would last through 2025 ensuring that the Committee can rely on the EIC as a central hub for Phase I and Phase II strategy collaboration. Additionally, the document might be designed with two commitment tiers so that members are coordinated, but perhaps involved in implementation at different levels. This approach may not be necessary as the document is developed and adopted, but is a potential approach to overcoming barriers to commitment and approval at the organization level.

This strategy is foundational to this plan as it will be an area of first action for all EIC member representatives and involve engagement with local government and business leaders. Without consensual commitment, there is the risk that other strategies will not be achieved on time or at all due to insufficient collaboration.

Integrate City and DMC Environmental Goals into Member Organization Capital Improvement Plans through Life-Cycle Costing Analysis

The objective of this strategy is to create a reoccurring opportunity for EIC organizations to align investments and capital improvement decisions with environmental goals. While budget allocations that require Council, Commission, or Board approval are necessary steps for advancing some energy and carbon reduction opportunities, many decisions are made at the department level. Here, there is opportunity to make small and large impact decisions and, in many cases, to have less uncertainty in the investment decision-making process. Thus, this is a strategy that may only require moderate effort to implement but have significant impact.

Barriers to carrying out this strategy are that organizations have different requirements and cultural norms around decision-making at all levels. Thus, the EIC will work to establish a select number of decision-making criteria or processes that could be adopted and embedded at the organizational level. EIC members will share back to the Committee on how these processes are working and report on emerging best practices that can inspire and ensure that other EIC member organizations are maximizing their learning and investment benefits. Broadly speaking, the goal of this strategy will be to encourage capital improvement decisions to look at value over a moderate- to long-term horizon, considering “lifecycle cost” instead of “first cost.”

Expand and Improve New Construction Incentive Program

As of 2018, Rochester Public Utilities (RPU) and Minnesota Energy Resources (MERC) initiated an energy design assistance pilot for commercial customers in Rochester. The pilot provides new construction and major renovation projects with building energy modeling services as well as cost-assistance to pay for recommended design elements that achieve performance beyond energy code. While this pilot is now available, it is in the nascent stages of implementation. As the community undergoes significant development between now and 2040 – from DMC, Mayo, school district, City, and County new construction projects – there will be numerous opportunities for this service to have an impact.

The EIC is interested in not only seeing this pilot program evolve in to an ongoing program offering, but one that is user-friendly and widely utilized. To make this a robust energy conservation tool to achieve City and DMC goals, the EIC is interested in helping RPU and MERC evaluate the pilot services, so they can be expanded and improved. A few of the committee organizations like the County, City, DMC and Mayo Clinic are heavily involved in construction projects in town, and as a result have case study information that could be helpful for program development. As a two-utility collaborative program, the EIC will aim to offer input regarding how the program can be streamlined in terms of promoting the program (i.e., effective marketing) and start-up efficiency, as well as receiving incentives in a timely manner. As is helpful, the EIC could help gather input from pilot participants and future participants to assess opportunities for improvements, including how early energy design assistance is offered in the design process. The EIC could also help to expand program recognition through its own outreach and education about the program.

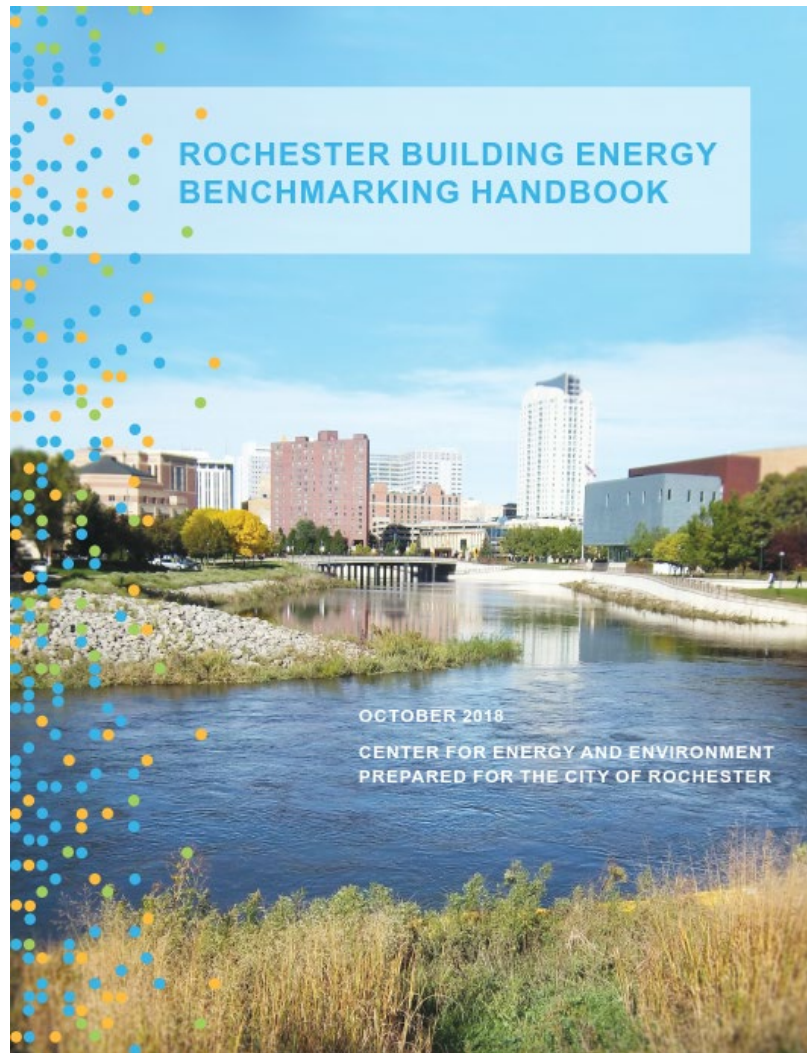
It is important to note the expansion of an incentive program is determined by the RPU Board and will be based on staff and financial resource limitations.

Support Building Benchmarking Roll-out Through Recruitment and Recognition

In 2018, the City, County, and DMC Board all approved resolutions to implement and participate in a voluntary commercial building benchmarking program. In 2018, the City and DMC contracted with Center for Energy and Environment to develop an energy benchmarking implementation handbook, providing guidance on how to carry out a successful program and what types of capacity, expertise, and resources are necessary to do so. This report was delivered in October and is already being put in to action as the first year of the benchmarking program gets under way.

In the first year of implementation, all City, County, and DMC buildings over 25,000 square feet, as well as a portion of Mayo facilities, are committed to participating in the program. However, because the program is voluntary, the EIC will be invaluable in recruiting additional participants. As leaders in commercial building operations, the EIC will leverage opportunities to speak at events on the benefits of participation and even host one or more events to build community awareness, buy-in, and curiosity about the program.

Successful benchmarking programs across the country engage local stakeholder groups to build local capacity and help create a culture of participation and sharing of lessons learned. Further, successful programs leverage participant recognition as a way of telling success stories and best practices. The EIC, in conjunction with the Rochester Energy Commission (REC), will use its energy expertise to lead recognition efforts for the program. This may include the selection of awardees, hosting public events to celebrate awardees, and to help build local industry pride in earning these awards.



Provide Resource Planning and Infrastructure Planning Input to RPU and the RPU Board (2019)

Due to the deadlines approaching in summer 2019 for both resource planning and infrastructure planning, the EIC identified action around both of these processes as very important. While some conversations have started within the EIC as well as among City, DMC, and RPU staff, the EIC has not provided structured input for either process.

The Committee would like to see assumptions and scenarios for both resource and infrastructure planning that reflect their relative impact on the City and DMC renewable energy, energy efficiency, and carbon reduction goals. This includes moderate to high-penetration of renewables in the grid mix, levels that may not be aligned with the City's 100% renewable by 2031 goal,² but is cost-effective and allows the City and DMC to build toward its long-term goals. With these carbon reduction goals that go beyond the use of energy in buildings alone, the EIC would like to see resource and infrastructure planning scenarios that consider varying degrees of transportation electrification, storage, and demand response. Both the resource and infrastructure plans should analyze the lifetime cost-effectiveness of alternative technology investments and non-traditional procurement of renewable energy resources. Again, the RPU Board and City Council are the ultimate decision-making authorities on the infrastructure plan.

² <https://www.utilitydive.com/news/minnesota-town-targets-100-renewable-energy-by-2031/407381/>

Input on Transit Hub Planning & Siting

In early 2019, the DMC is working through siting for two transit hubs that will be centers for local circulators and regional bus transit stations, as well as large parking areas. The location of these hubs and coordination to supply sufficient electric infrastructure at these sites will be vital to support adoption of electric vehicles. The EIC has a very immediate opportunity to provide input on the siting of these hubs and can ensure that there are now distribution system advantages to some sites over others. Additionally, the EIC can be sure to communicate the value EV and EV charging visibility in the community, as these are important factors to reduce range anxiety and increase consumer confidence in purchasing an EV.

The EIC should engage the transit hub planning process as a first action in 2019, either through process participation or in writing.

Participating Organizations to Fund an Electric Vehicle (EV) Fleet Study

The City of Rochester is already planning to pursue its own EV fleet study, which will assess which city vehicles are most appropriate for conversion to electric vehicles. This is based on driving patterns (e.g., miles driven per day, length of trips, hours available for charging) and type of vehicle and provides recommendations based on total cost of ownership and carbon impacts. While the City plans to pursue this activity on its own, the EIC identified this as an activity that should be pursued jointly by organizations that voluntarily elect to do so. By collectively funding an EV fleet study, the participating EIC organizations will benefit from sharing lessons learned along the way and likely be motivated to act collectively once study results are in hand.



PHASE II – Near-Term Action, 2020-2023

Phase II includes nine priority actions, which fall across four of the five focus areas. These strategies are where the EIC will focus their efforts starting in the second and third quarters of 2020 after completing, or in some cases initiating, the strategies outlined in Phase I of the project plan.

Outlined in Figure 9 are the defining factors of each Phase II strategy. This includes the objective, asks, and approach that the EIC plans to take and is intended to function as a reference for the EIC and other stakeholders during Phase II development and implementation.

Phase II Actions: Actions are listed in the order in which they should be initiated or completed by the EIC.

Initiated in 2020

1. Leverage PACE financing for conservation and renewable energy projects – **begin promotion early 2020**
2. Study opportunities for innovative financing and ownership of district energy to serve the DMC – **goal: initiate a survey of innovative models by summer 2020**

Initiated in 2021 or 2022

3. Investigate expansion of County district energy services for DMC and UMR – **goal: initial technical and economic feasibility study complete by 2021**
4. Develop and pilot an ongoing commissioning program – **goal: initiate pilot offering by 2021**
5. Develop and promote vendor education (e.g., an energy fair) – **goal: start targeted workshops by 2021**
6. Pass Citywide EV ready ordinance to increase charging access (for new public and private parking) – **goal: in place by 2021**
7. Evaluate the use of real-time utility data and rate structures to reduce electric demand and consumption – **goal: Evaluate options and path forward by spring 2021**
8. Assess key opportunities for creating and leveraging incentives and financing – **goal: begin to assess funding gaps and financing needs by summer 2021**
9. Centralize building operations within the City – **goal: effort completed by summer 2021**

Figure 9. Phase II Action Timeline

Strategies	2020 (post Q1)	2021	2022
PACE Promotion	Promote PACE Starting in 2020 (ongoing)		
Incentives / Financing		Assess & Design Incentives	
Ongoing Commissioning	Design & Roll-Out by 2021	Expand Roll-Out	
Vendor Education		Develop Education by Spring 2021	Deliver on an Ongoing Basis
Centralize Operations	Initiate by Summer 2020		
Study Dist. Energy	Survey of Models by Fall 2020; Recommendations by Spring 2021		
Expand Co. Dist. Energy	Study County District Energy Expansion Options Complete by 2022		
EV Ordinance	Adopted by Spring 2021		
AMI + New Rates		Launch Pilot by Spring 2021	Expand Roll-Out

Figure 10. Phase II Action Summary

	Objective	Ask	Approach
O&F Assess Needs and Develop Incentives/ Financing Promote PACE Financing	Identify and leverage key incentives and financing opportunities to assist achievement of City and DMC goals	EIC members to survey local businesses and developers to assess what immediate conservation or clean energy options would be utilized if funding were available so EIC can consider & disburse funds	EIC members review local input (applications) regularly (quarterly or monthly) for high-impact opportunities Elevate awareness of PACE financing in the community by using it and developing a disseminating a case study or presentation on benefits
	Increase the quantity of local conservation and renewable energy projects by leveraging PACE financing	Work with RPU and MERC to promote PACE financing; Collaborate with the St. Paul Port Authority to complete one local example project	
EE Support and Inform Ongoing Commissioning Pilot Develop and Promote Vendor Education Centralize City Building Operations	Create a collaborative, ongoing recommissioning and commissioning program that engages commercial customers for continuous impact	RPU and MERC to collaborate to design a joint program optimizing customer convenience and energy savings	EIC members provide input on program design features before and during pilot; EIC promotes the pilot and full-scale offering
	Communicate to contractors and businesses the benefits and value of utility and City energy services and incentives	EIC members to help establish an ongoing source of education by identifying existing engagement channels or creating anew	Help outline the education needed and find expert speakers; individually share energy efficiency case studies and lessons learned
	Increase building operation best practices by centralizing knowledge and decision-making	Advocate for centralized building operations within the City and educate leaders on the benefits	EIC members who have already centralized operations report to City leaders by quantifying the costs and benefits
DE Study Financing & Ownership Models for DMC District Energy Investigate Technical Potential to Expand County District Energy	Identify a financially viable path forward for expanding Mayo or County district system capacity and delivery infrastructure to serve DMC	Finance and district energy experts from the EIC form a district energy subcommittee to investigate and brainstorm alternative funding and ownership models	Explore innovative financing models, infrastructure synergies, and ownership structures that reduce first costs or lifecycle costs to determine a lowest cost expansion price
	Determine the technical potential and economic feasibility for the County district system to expand and serve DMC west of Broadway	Start conversations with the County, DMC, and utilities about the right value proposition and costs that could create a path forward	EIC district energy subcommittee and County to outline expansion scenarios (capacity and technologies) that should be investigated

<p>Inv</p> <p>Pass Citywide EV Ready Ordinance</p>	<p>Increase the opportunity to meet EIC carbon reduction goals through supporting citywide EV adoption</p>	<p>EIC to advocate for and support drafting of ordinance language in collaboration with City staff and the Energy Commission</p>	<p>Work with RPU and SMMPA to match EV load growth with renewable resources; help RPU establish <i>make-ready</i> solutions at time of construction</p>
<p>Evaluate the use of real-time utility data and rate structures to reduce electric demand and consumption</p>	<p>Increase use of smart meters so utilities can grow opportunities for lower-cost M&V, dynamic or time-based pricing signals, and rewarding actual energy/demand savings</p>	<p>Ask RPU to design at least one peak-load rate offering for piloting in coordination with AMI to study the benefits for RPU and key customer segments</p>	<p>Learn the current constraints and costs of installing smart meters and work with RPU to collect lessons learned across key use cases during this pilot</p>

Barriers, Solutions & Next Steps Discussion

The following section offers a discussion of the barriers that will need to be overcome to make these strategies successful. It also offers solutions to some of these challenges and guidance on first steps.

District Energy: Expansion and Innovative Financing or Ownership Structures

With two district heating and cooling systems adjacent to much of the DMC development, the opportunity to use these resources is unique. In the Mayo’s 2016 Downtown Campus Utility Master Plan, Mayo explored the first costs and technical feasibility of expanding generation and distribution infrastructure for two scenarios beyond Mayo: first, DMC west of Broadway; and second, DMC west of Broadway, as well as the expanding University of Minnesota, Rochester (UMR) campus. While there is the technical potential to make this expansion, the first costs of expansion do not make a cost-effective case to do so. To date, the County has not conducted a study to understand the technical constraints or costs to expand to service parts of DMC or UMR.

A primary obstacle for DMC to leverage the adjacent district energy services (steam and chilled water) are first costs. Some important details that have not yet been explored about expanding access to these district systems are alternative ownership structures and innovative models for financing. With many examples of district energy development across the U.S. and Europe, there are a number of models by which these systems have been built and funded. The EIC is interested to further investigate whether there are precedents for working around first-cost challenges. Additionally, are there specific district services that could be cost-effective to expand that would compartmentalize costs or allow for incremental development as the DMC grows.

To determine what the right questions are, the EIC will form a district energy subcommittee to outline the key questions and find partners or consultants to explore creative district energy development models. It will also outline the key questions that need to be further explored to assess the opportunity and cost of expanding the County district energy system. Adding waste heat through future composting services or the sourcing of biogas are options that some EIC members have expressed interest in exploring further.

Support and Inform an Ongoing Commissioning (and Recommissioning) Pilot

Currently, there is a lack of utility program offerings that target deep energy efficiency improvements that can have a large impact on energy usage in moderate and large commercial buildings. In 2018 RPU

initiated a pilot recommissioning program, but this program is not designed to provide recurring recommissioning services to continually track and uncover new energy savings that “grow back” overtime. RPU’s pilot is also a standalone one that only looks at electric energy savings, which poses a lost opportunity to achieve natural gas energy savings.

To offer Rochester commercial customers a service that will optimize the performance of mechanical and lighting equipment on an ongoing basis (supporting recommissioning studies every five to seven years), the EIC is interested to help RPU and MERC collaborate in developing such a program. By developing a collaborative electric and natural gas savings program, the EIC will be able to offer input about program design to help increase customer usefulness during delivery. Mayo Clinic, in particular, could support the program by sharing its experience and learnings about its own recommissioning program that it has pursued even in the absence of utility incentives. Further, as operators of some of Rochester’s largest buildings, the EIC will work with facilities teams within their respective organizations to help the program scale and achieve cost-effective program delivery.

While this offering could be developed as a new program, there may be benefits to making this an extension of RPU’s current recommissioning pilot. Joining these programs could offer marketing benefits as well as encourage those receiving commissioning services to partake in ongoing recommissioning services. The program could even incorporate building operator training as a part of ongoing operational services, adding to the scholarships that MERC and RPU currently offer for completing Building Operator Certification.

It is important to note that the creation of a new incentive program is ultimately the decision of the RPU Board and is based on financial and resource availability.

Develop and Promote Vendor Energy Education

As growth occurs within Rochester, new businesses will enter the local market and energy related contractors and vendors will be in demand. At the same time, both RPU and MERC, the City, and DMC are developing a significant portfolio of new program services and pilot offerings. To help build programs that are supported by the community and that customers and vendors are aware of, program education will be an important resource in the community.

In support of this need, the EIC will help lead the development of a Rochester vendor fair. The fair will offer informational presentations and continuing education sessions for businesses, contractors, and design professionals. The EIC will sponsor this event and support its development and organization directly or through contracting with a third party. The intent will be to host this energy fair on an annual basis and to help highlight the energy performance conservation expertise and resources available to business in Rochester (and southern Minnesota).

Support Community wide EV-ready Ordinance

The EIC has identified an EV-ready ordinance as a strategy for decreasing carbon emissions in the city. With over 13 million square feet of new building development planned before 2040, there is a significant opportunity to integrate EV charging infrastructure at the time of new construction. Not only will this help raise the visibility of EV infrastructure, which combats consumer “range anxiety”, it will also save building owners from having to invest more in infrastructure updates that would be more expensive post-construction.

Beyond commercial development, an EV-ready ordinance that requires at least appropriate wiring could expand access to EV charging infrastructure for renters of multifamily properties. With 84% of EV charging in the U.S. currently happening at home³, educating homeowners about electrical upgrades during home or garage renovations is one opportunity for the EIC to cost-effectively support the EV transformation.

To successfully complete this effort, education and engagement of businesses and City leaders may be necessary to assuage concerns that such an ordinance will be a barrier and unwanted cost for developers and businesses. By using its professional network, the EIC will collaborate with City and RPU staff to build buy-in around this policy and help develop a business case for passing such an ordinance. This may include the creation of one or more case studies, presenting to professional associations, or speaking at city council hearings. As owners and developers of building space, the EIC will also be able to offer important input about the intent and design of a charging access ordinance.

Support and Participate in a Time-Based Rate Pilot Program

Installing advanced metering infrastructure (AMI) or smart metering can be a first step to engage building owners on actual energy performance and provide rate offerings that reward them for optimizing building operations to conserve and save peak energy. This can be particularly effective for sophisticated building operators and users. Rochester has a high density of buildings with trained, on-site building operators where performance-based incentives and time-based rates could be valuable to the utility and offer customers cost savings.

The EIC organizations are interested to experience and test the potential benefits of having advanced bi-directional meters, or other types of real-time energy sharing devices coupled with alternative dynamic rate structures. The EIC members would like to collaborate with RPU (and possibly MERC) to test this concept in a sample of buildings and to pilot one or more time-based rates. To overcome the barrier of upfront costs, the EIC would work with RPU to find a way to share the cost; a value that otherwise could be cost-prohibitive to recruitment. They would then work to help create one or more case studies that demonstrate the benefits and challenges of switching to time-based rates. From this experience, both the building operator community as well as RPU would gain hands-on experience with the value and costs of offering different metering technology and rates, which could lead to an ongoing or expanded customer offering package.

It is important to note that the creation of a new rate design program is ultimately the decision of the RPU Board and is based on financial and resource availability.

Assess Opportunities to Leverage Incentives and Financing through the EIC

A unique asset identified by the project planning process was the potential for the EIC to use Destination Medical Center Corporation resources, along with possible other partner and third-party resources, to create financing and incentive options. These funding mechanisms could be established to help meet the goals of the EIC or specific project plan targets outlined in this plan.

Because funding mechanisms represent strategies that can be applied to multiple focus areas, such as investment in renewable energy or energy efficiency, and can serve as methods to achieve multiple actions within a focus area, this strategy cuts across many of the previously discussed strategies. For this

³ Idaho National Laboratory (INL). (2015). Plugged-In: How Americans Charge Their Electric Vehicles. INL/EXT-15-35584. Idaho Falls: INL. <https://avt.inl.gov/sites/default/files/pdf/arra/PluggedInSummaryReport.pdf>

reason, the EIC feels that this opportunity may be best used in response to what is and is not working well without targeted funding support.

After prioritizing other first actions outlined in Phase I and Phase II, it will likely be a good time for the EIC to engage in a “deep dive,” collaborative brainstorming process. At this time, existing gaps and opportunity for funding support can be assessed to maximize existing efforts as well as new innovative opportunities still to come.

Centralize City Building Operations

To maximize the benefits of energy efficiency programs and building operator certifications, there can be a significant benefit to having facility operators with specific energy expertise. However, it is challenging to have those experts in all facilities, as operational budgets and work force supply might not support this. Centralizing building operations across an organization or local government to one individual or team of energy managers can help increase building efficiency. This helps a whole portfolio of buildings to get similar attention and helps one decision to affect more square footage.

Following the County’s example, the City is exploring an opportunity to move all energy-related building operations to a central manager or team to make the best use of engagement with utility efficiency programs and the sharing of outcomes and best practices that result. In turn, the City and County will share the benefits of centralization to encourage other large businesses and organizations to do the same.

PHASE III – Mid to Long-Term Action, Beyond 2023

Phase III includes three priority actions. These actions fall across two of the five focus areas outlined in this Project Plan, with a primary focus on energy efficiency. However, the EIC will have the ongoing responsibilities from the implementation of strategies that have come before as well as new emerging opportunities. This phase of the Project Plan serves as a list of strategies that need to be implemented but are provided in less detail and focus more on guidance around these actions’ intentions to remain relevant for their time of implementation.

As in previous sections, Figure 11 outlines the defining factors of each Phase III strategy. This includes the objective, asks, and approach that the EIC plans to take. Unlike in previous sections, the discussion section that follows does not address barriers and solutions, but rather the need for these strategies. This will help the EIC reassess the need and urgency of implementing these strategies as Phase II activities are wrapping up.

Phase III Actions: Strategies are listed in order of which the EIC will first initiate or launch.

1. Code compliance support program for city plan reviewers and inspectors – **goal: initiate a pilot program by spring 2023**
2. Streamline benchmarking participation through customer data aggregation tool or service – **goal: make operational by spring 2024**
3. One-stop conservation offering for mid-size commercial customers – **goal: pilot this offering before 2024**

Figure 11. Phase III Action Summary

	Objective	Ask	Approach	
<div style="border: 1px solid white; border-radius: 50%; width: 30px; height: 30px; display: flex; align-items: center; justify-content: center; margin-bottom: 10px;"> EE </div> Energy Code Compliance City Support Program	Increase commercial energy code compliance, especially during periods of high growth, to increase energy conservation	The EIC will work together to launch this program with a third-party provider and support by championing the program within the City and development community to provide a project pipeline	Champion the program concept early and help a third-party provider engage local code officials, developers, and utilities early about the benefits and flexibility of the service	
	Utility Energy Data Aggregation Tool for Benchmarking Participants	Streamline the building benchmarking process for current participants and reduce barriers for new participants	Work with potential benchmarking participants to understand the barriers to participation; help educate RPU and MERC about the type of tool(s) that would be helpful for participants	Help conduct an engagement event and/or survey to gather feedback from existing and prospective benchmarking participants for utility sharing
	Launch One-Stop Conservation Program for Small and Medium-sized Businesses	Support conservation opportunities beyond the largest projects with programs that link audit information to quality contracting	Engage the business community to understand the types of conservation program services and rates that interest customers	Help MERC and RPU collaborate in the development of a one-stop type of program and work with business owners and associations to increase awareness

Discussion of Need for Services & Initial Steps

The following section offers a discussion of the barriers that will need to be overcome to make these strategies successful. It also offers solutions to some of these challenges and guidance on first steps.

Develop Utility Data Aggregation Tools for Benchmarking Program

Building energy benchmarking provides whole-building energy efficiency metrics by combining two silos of information that have never before been brought together: building characteristic information and utility meter consumption data. For the City of Rochester’s benchmarking program, this information is to be entered into ENERGY STAR Portfolio Manager, the standard online benchmarking tool provided by the U.S. Environmental Protection Agency. Of the two silos of information needing entry into the tool, building characteristic information is entered during initial set-up and is fairly static going forward. Meter consumption data, on the other hand, is constantly developing and therefore must be entered on a more regular basis. Developing a utility data aggregation tool is an important step toward streamlining a building energy benchmarking program in the City of Rochester. Without one, buildings must manually enter a full calendar year of water and energy data for all fuel sources. The benefit of a utility data aggregation tool is two-fold: not only does the tool make the process of benchmarking and reporting use easy and convenient for the customer, but also ensures a greater level of data accuracy through

automation. The EIC discussed the importance of a streamlined benchmarking process for buildings because the more properties that are entered into ENERGY STAR Portfolio Manager and disclosing their energy use to City, the more targeted and effective energy conservation programs can serve customers.

While there are known barriers to launching a utility data aggregation tool, the EIC unanimously agreed on the benefits such a tool could have for Rochester's voluntary benchmarking program. The group acknowledged that developing new utility software can incur increased cost and complexity, even when the development is contracted out to a third party. There are administrative burdens such as the Municipal Privacy Act, which currently would require RPU to manually enroll customers into the tool. However, there are models that exist in Minnesota that provide aggregation services, and these can serve as guidance for next steps.

It should be noted that additional programming needs will likely need additional financial resources that will require the approval of the respective organization's decision-making bodies.

Energy Code Compliance Support Program

Significant energy savings can be captured by cities rigorously enforcing energy code compliance for new construction and major renovation projects. For larger commercial projects in particular, the enforcement of the energy code's commissioning requirements helps ensure that systems operate correctly at the point of occupancy, thereby preventing discomfort and potential air quality issues in the building while saving energy. Enforcement of the energy code at the time of construction or major renovation leverages a unique opportunity to fold energy efficiency into a building's structure as it is built, preventing the greater expense of retroactively pursuing energy improvements.

Oftentimes, city plan reviewers and city inspectors do not have a complete knowledge of the state energy code and lack available time to enforce code more stringently. Typically, a review of commercial projects is complicated by separate permits for the building itself, such as for electrical and mechanical systems. To encourage better energy code compliance, the EIC should explore opportunities for training or programs aimed to support code enforcement officials on the energy code and its enforcement. Even encouragement from the top levels of city government that energy code enforcement is a priority can spur confidence among code officials that their work is supported. Alternatively, the EIC could explore and provide recommendations for third-party expert review services that would allow the City to gain better compliance without putting considerable time and effort into detailed, technical training of their staff.

Mid-size Commercial Customer One-Stop Conservation Program

Mid-sized commercial customers are often one of the hardest audiences for conservation programs to engage. Unlike the largest buildings in the sector, mid-sized commercial buildings may not have a designated energy manager on-site or centralized facility services dedicated to pursuing energy saving opportunities. Further, mid-sized commercial buildings often do not have the resources or time to seek

out which utility programs they are eligible for much less complete the required paperwork and follow up after receiving an energy audit. This supports the need for a “one-stop” conservation program that provides full door-to-door services and assistance for mid-sized commercial customers. In such a program, customers receive a free energy audit to identify no- and low-cost energy saving opportunities as well as assistance filling out rebate applications and procuring qualified contractors to complete projects. As resources and focus allows, the EIC should consider supporting RPU and MERC in designing a one-stop conservation program for this market sector.

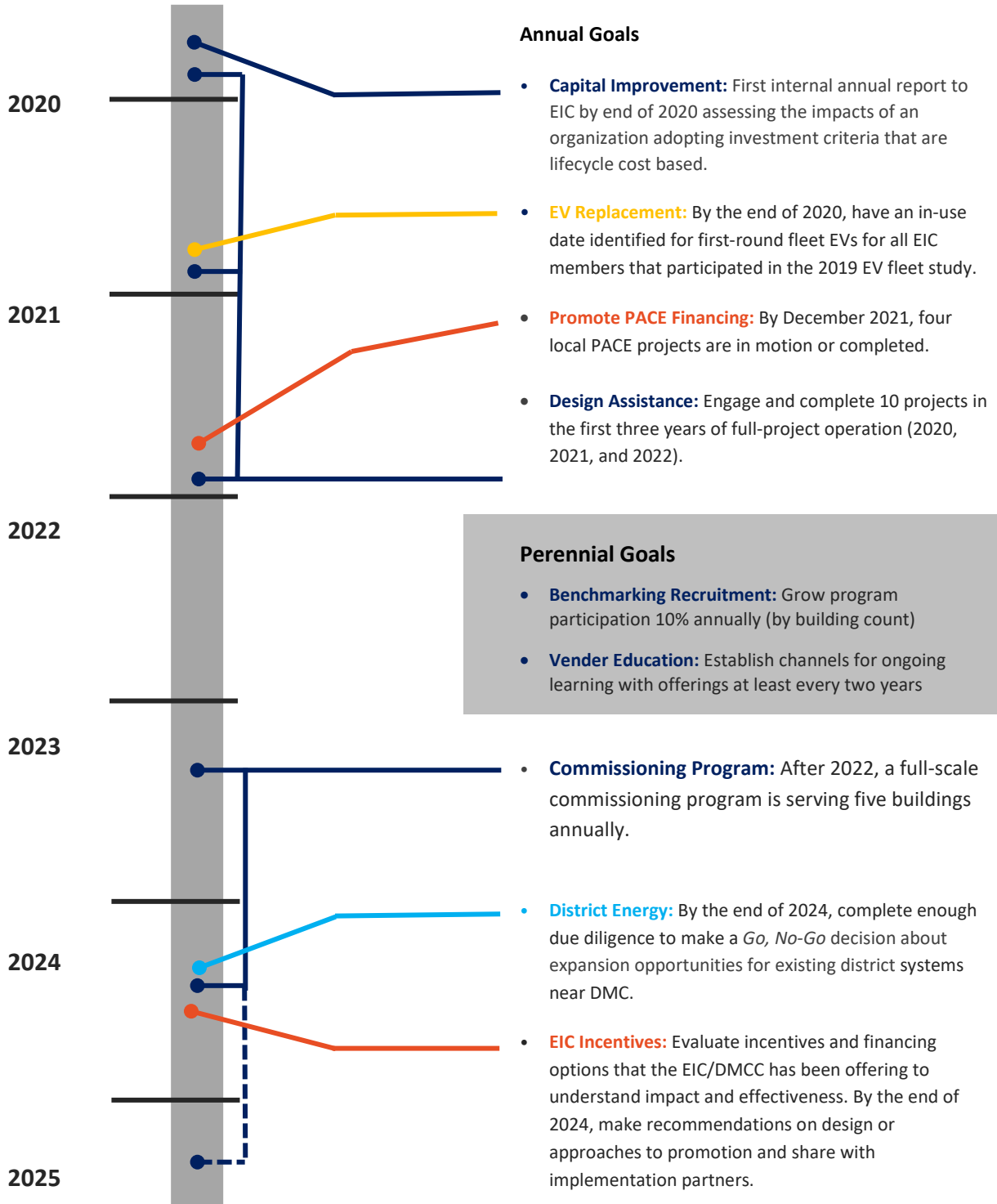
V. Metrics for Advancement & Benchmarking Progress

The EIC has identified the most helpful and measurable metrics for tracking their achievements.

Ultimately, the EIC determined that progress toward the DMC and City’s climate goals are the primary milestones that should be tracked and reported on. It is also recognized that many, if not all, of these metrics are collected by agencies within the City of Rochester. Most of these milestones are captured in the graphic on the following page and are organized by the time in which they will be accomplished.

While there are many ways to share progress, the EIC discussed the possibilities of publishing of annual report, presenting accomplishments both to the public and internal leadership, and/or sharing successes with the community through the local newspaper. These efforts would be done in collaboration with the City’s Energy Commission, Sustainability Office, and other environmental organizations. In particular, presentations made to the DMCC and leadership could reinforce the value and efficacy of the EIC’s work to ensure that resources continue to be invested in this work. Though it is unlikely that the EIC will need to pursue all three forms of communication each year, communicating advancement toward energy and climate goals can help build community identity around clean energy solutions and inspire residents and businesses to take action as well.

Figure 12. Ongoing Strategy Goals & Milestones



VI. Recommendations & Strategic Next Steps

To help the EIC transition from the energy project planning process back to a mode of implementation, this section summarizes additional recommendations that the Committee may want to consider to improve efficiency, process, or engagement with stakeholders. These recommendations were collected during the energy project planning process from EIC conversations and built upon by Center for Energy and Environment to incorporate best practices and additional detail.

Committee Process & Tracking

- **Bottom-Up Strategy Tracking:** Establish a method for tracking progress of individual strategies that help the Committee as a whole and individual representatives take stock regularly of whether or not the Committee is on track with the timeline of the Project Plan. The underlying intent is to provide collaborative accountability for EIC member representatives at an individual-level while also building a realistic understanding of the Committee's capacity for the future. This will keep up committee morale and help it function as a team.
- **Top-Down Goal Tracking:** Establish which broader metrics are the most helpful and feasible metrics to track the overarching goals of the City and DMC, such as carbon emission reductions, and percent of load or demand (define which) is being served by renewables. By selecting two or three goal-based metrics, the EIC will be positioned well to report to the member organizations and the public about their value and effectiveness. These metrics will also help increase organizational accountability and recognition for their efforts.
- **Meeting Frequency & Format:** As a Committee, establish a pace of meetings that is commensurate with the work that needs to be accomplished; determine if EIC meetings should occur more often.
- **Establish Subcommittees:** When a topic requires a deep dive, such as district energy systems or utility program design and delivery, form a subcommittee to focus those with the most expertise and interest on the task at hand. The EIC may determine what the objective of a subcommittee is and should be responsible for setting a deadline that aligns with the phasing in this Project Plan. The subcommittee is then responsible for establishing the questions that they will explore and answer, when a sufficient conclusion has been reached, and the form of a final deliverable.

Internal & External Communication & Reporting

- **Increase Communication & Coordination:** Increase coordination across EIC member organizations and to be able to create momentum within the Committee and a pace of work and collaboration that is commensurate with rolling opportunities. This could be accomplished by having the expectation for reporting in during each EIC meeting and out within your organization on a regular basis.

- Share updates, upcoming decisions, and deadlines from within your own organizations.
- Bring back EIC updates and share information with vital colleagues and leaders. Establish who these people are and determine if you need their input or they need your information, or both. This will help you determine how often you communicate and the level of information detail that is necessary to share.
- **EIC Visibility:** Increase EIC visibility within each respective member organization and within the community.
 - Establish meetings with organizational leaders or establish regular opportunities to present to councils or boards.
 - Annually or semi-annually, invite leadership from each EIC organization to participate in a roundtable EIC meeting. This will increase visibility of EIC activity as well as provide a forum for discussing resources and collaboration on initiatives moving forward.
 - Consider selecting one or two opportunities each year for the EIC to publish a press release and disseminate to major news sources in Rochester and the Twin Cities that helps communicate the work that the EIC is doing, the role that they play in achieving the City and DMC climate and energy goals, their efforts to collaborate with other environmentally-focused bodies, like the Energy Commission, and to support accountability and recognition for EIC representatives and organizations.

Maintain & Infuse Collaboration

- **Chatham House Rule:** During the energy project planning process, the EIC agreed to operate under the Chatham House Rule, suggesting of meeting participants that: *participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.* During project planning, the Committee decided they would adopt Chatham House Rule as an ongoing practice. In keeping with decision, the EIC hopes to maintain trust and the most open and effective collaboration possible.
- **Deep Dives:** Financing and incentives were called out as a unique and potentially powerful strategy that the EIC could develop. The Committee is drawn to incentives and financing as a strategy that is created and applied when non-incentive strategies are not doing the job. This strategy area is ripe for EIC member to explore through a “deep dive,” a brainstorming process that focuses on opportunities and innovative thinking first and constraints and barriers second. It is recommended that such a process be undertaken after 2019 along with or in response to an evaluation of current strategy and implementation effectiveness.

Setting Agendas & Meeting Goals

- **Setting Agendas to Meet First-year Action Goals and Timeframes:** With many time-sensitive strategies scheduled to take place in Phase I of this Plan, the EIC will need to further strategize

the responsible lead organization/member, resources needed, and intermediate actions required to meet deadlines in the first year. Further guidance on this process can be found in Appendix A.

- **Establishing Metrics for Success and Committee Effectiveness:** The EIC still needs to collectively establish metrics for evaluating its efficacy and success, other than obtaining its overarching goals. While Metrics for Advancement & Benchmarking Progress (Section V) offers some annual goals and milestones to be mindful of, establishing a more rigorous evaluation process can improve Committee accountability and likelihood of staying on target toward the goal.

VII. Closing

Through working collectively on the actions and strategies outlined in this Plan, the EIC has the potential to significantly reduce energy use and carbon emissions in pursuit of the EIC's goals. In a rapidly changing climate, the efforts of the EIC will not only save businesses and residents money, but provide a healthier, more competitive and sustainable future for the DMC and the Rochester community at large.

As with all static documents, the strategies outlined in this Plan are organized by their level of urgency and potential impact as assessed in the present. While opportunities and barriers for carbon-savings are fairly well understood for Phase I and Phase II strategies, there is naturally less certainty of around the priority, impact, and feasibility of strategies categorized in Phase III given their more distant timeline for implementation. This allows the EIC to devote more attention to the possibilities of the present while leveraging the growing relationships among Committee members to sustain communication and commitment to collaboratively work on shared goals going forward. With rapidly advancing technology and fluctuating political support, new strategies will emerge and actions that are currently inconceivable may become more important to follow than those included in this plan. That said, many of the strategies provided in Phase I require immediate attention from the EIC as a means of setting the stage for a decarbonized future at a time of intense development in the City of Rochester.

To conclude, the engagement and time commitment provided by the EIC to date holds significant promise that the Committee will make progress toward meeting deadlines and accomplishing its energy and climate goals. With sustained commitment and communication — both among EIC members and their respective organizations — the strategies presented in this plan will be obtainable and provide cost and environmental benefits to those that participate.

Appendix A: EIC Meeting Agenda Guidance (2019)

To maximize the impact of the opportunities identified during Phase I of this Project Plan, the organization and sequencing of activities in the first six months will require concerted effort and organized planning. During this time the Committee will acclimate to some new operational practices established during project planning, and work to further build a culture of collaboration. For this reason, an initial schedule of activities is offered in this plan to help guide the Committee to focus on the work at hand and keep momentum into 2020 and the beginning of Phase II.

Below is a guide for what the EIC will tackle each of the first six months in 2019. The agendas will contain one or more of three elements: 1.) information gathering or reporting, 2.) decision-making, or 3.) production and completion of efforts. These elements are best practices that the Committee could choose to adopt as an ongoing structure – a decision they could assess in the second half of 2019.

Definitions:

Information Gathering: Educate and inspire EIC members by bringing in fresh information that is relevant to current or upcoming topics. This would include presentations from external experts as well as regular updates and sharing of lessons learned from other EIC members (e.g. incorporating City and/or DMC environmental goals into capital improvement plans or feedback from a utility pilot program).

- *Tip:* Ask each member to provide organizational updates at each meeting. This will enhance the value of the meetings for members as this information will be helpful beyond the work of the EIC and will increase the opportunity for timely collaborations.
- *Tip:* Inviting outside speakers to present on a bi-monthly basis is a good starting rhythm.

Decision-Making & Approval: Call out to the EIC in the agenda ahead of time which topics will require decision-making so that they can coordinate as needed with colleagues before attending.

Working Sessions & Production: Some meetings will be best spent co-creating an end product. Through shared discussion, the Committee will build a more durable approach to framing a topic or delivering information. When this is needed, call this out as a “working session” ahead of time so that people come prepared to actively participate. These sessions can result in requesting that one or two EIC members take the lead on translating the discussion or decisions in to a deliverable that can be shared beyond the Committee.

JANUARY

WORKSHOP 4

Working Session: Review draft EIC Energy Project Plan & Commitment Document

JANUARY MEETING

Information & Working Session: Transit Hub speaker to inform EIC of decision and gather input (including input about pairing transit hubs with local renewables)

FEBRUARY

Information: Benchmarking Speaker to learn about program roll-out

Decision: 1.) Approve final Energy Project Plan; 2.) Determine a date for an EIC benchmarking recruitment meeting/event

Working Session: Identify and document EIC concerns and asks of RPU's resource planning process; Propose assumptions or scenarios to be evaluated

MARCH

Information: RPU to present on innovation/non-wires alternatives white paper

Decision: 1.) Confirm the need for and formally establish a district energy subcommittee and who comprises it; 2.) Approve EIC comments on RPU resource planning and submit or present to RPU

Working Session: Outline comments to submit to RPU regarding considerations for demand response opportunities and how to the EIC can act in support

APRIL

Information: 1.) EV fleet study scope of work and benefits presented to EIC plus guests; 2.) External expert presentation on approaches to achieving local or on-site renewable

Decision: 1.) Approve EIC comments on RPU distribution planning and submit or present to RPU; 2.) Determine which Q1 efforts to include in a press release

Working Session: Consider RPU's Resource Plan and discuss EIC member procurement of local renewables

MAY

Information: External presentation on best practices for embedding "lifecycle cost" as decision-making criteria for capital improvement planning

Decision: Approve EV fleet study and confirm that all organizational approvals are complete or underway

Working Session: Create steps for each EIC organization to embed long-term returns in to capital improvement decision-making or City or DMC environmental goals

JUNE

Information: External expert presentation to further open ideas and opportunities local or on-site renewables (i.e., presentation from RPU)

Decision: Determine if and when a EIC leadership round-table should be held for 2019

Working Session: Second discussion about investment in or procurement of on-site or local renewable energy

Beyond the First Six Months

There are too many moving pieces to determine which new information would be helpful to bring to the Committee once we look out more than three to six months. The agenda guide will help ensure that top priorities are getting addressed in the order with which decisions and deliverables need to be produced. Beyond the first six months. However, there are a number of topics that the EIC may consider inviting presentations from external experts or having discussions around for the purposes of information gathering and inspiration.

External information gathering opportunities include:

1. Innovation in financing offerings or incentives for development. Consider speakers from the green banking industry.
2. Successful and emerging commercial programs that could be applied to large commercial new construction, operator training, or small business segments.
3. Hear from the builders and building owners that participated in performance-based procurement at the Mayo, and what benefits were received and lessons learned.
4. RPU and MERC to share out what has been learned to date from the commercial design assistance pilot and describe opportunities for improvement and expansion.
5. Innovative district energy financing and ownership structures from around the world. This may be achieved through the district energy subcommittee.
6. Strategies to build community awareness of the EIC and elevate visibility to the impact being achieved within the City, Minnesota, and across the country.
7. External presentation on best practices for tracking progress against goals as a committee and organizational structures for improving and maintaining committee impact and culture. Could include an evaluation of process and a one-year check-in.
8. EV Fleet study findings report and discussion around clear next steps, what additional information is needed, and how the EIC can expand the value of implementation by selecting different opportunities across organizations to maximize information sharing along the way.
9. Performance based incentives, such as pay-for-performance can help building operators to achieve deeper, real energy savings and ease measurement of energy conservation.

Internal reporting and information gathering opportunities include:

10. Self-evaluation of how well the Committee is sharing information in a timely and robust manner to help advance goals and maintain an open and collaborative environment.
11. Track and evaluate efforts in motion:
 - Sustainable Building Policy: what is working well, what is not, and how to improve the impact of this approach.
 - Benchmarking program uptake, data quality, and participant feedback.
 - Lessons learned from a first year of utilizing “lifecycle cost” as criteria to determine capital improvements.