



Energy and Housing Policy Recommendations

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Fresh Energy

For 28 years, shaping and driving bold policy solutions to achieve equitable carbon-neutral economies.

Fresh Energy is working to:

- ▶ Decarbonize the electricity sector serving Minnesota
- ▶ Create a carbon-neutral economy through high-impact integrated solutions
- ▶ Ensure an equitable and just energy transition
- ▶ Build a shared commitment to climate action
- ▶ Strengthen public resolve for change



Minnesota Multifamily Affordable Housing Energy Network (MMAHEN)



- Purpose: to increase energy efficiency and conservation in multifamily buildings in MN by improving and expanding the use and equitable access of available resources
- Started in July 2014
- 69 members from 41 organizations, including utilities, energy and housing advocates, housing owners and developers, service providers, city and state staff, and renters

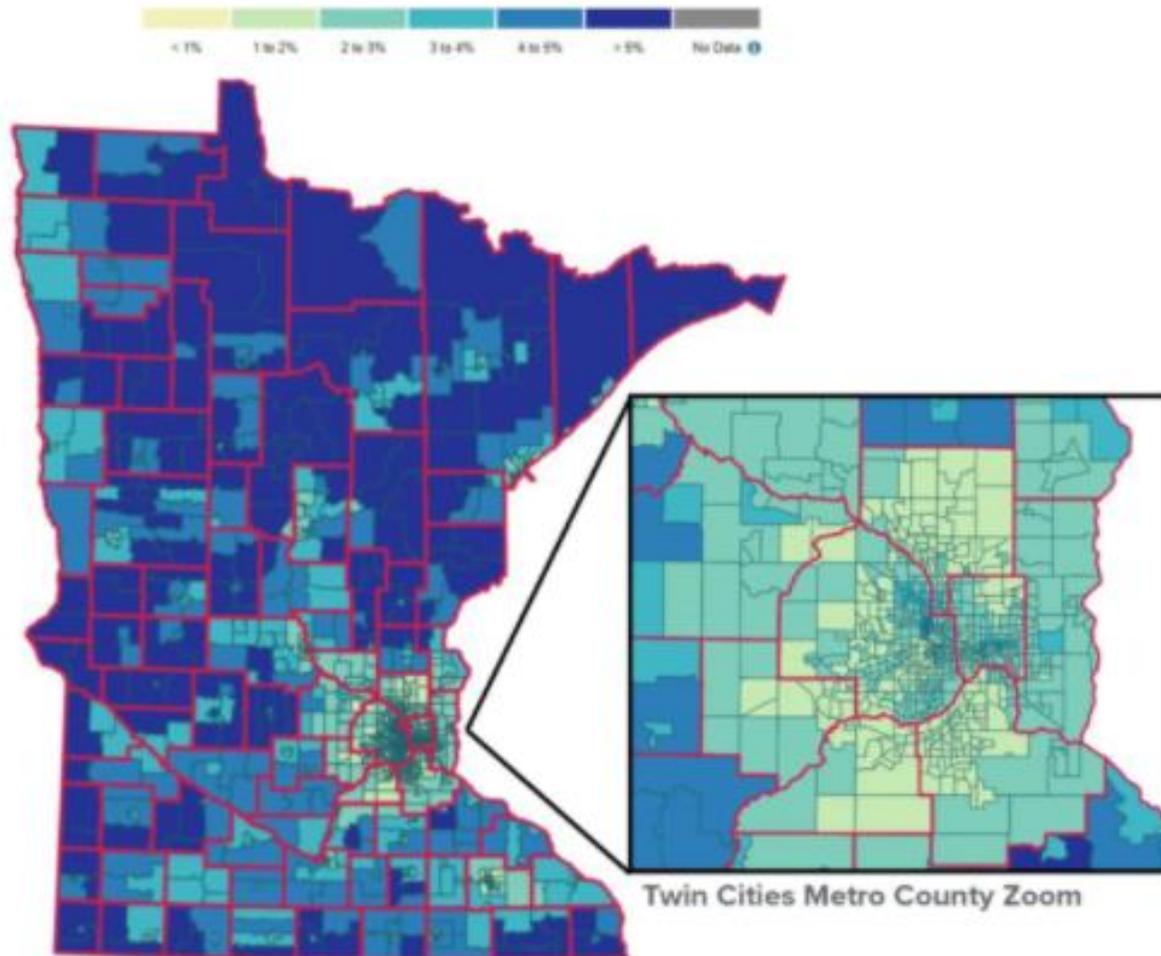


Benefits of energy efficiency in under-resourced households and multifamily housing

- Reduced energy burden
 - Roughly **44%** of all renters are cost burdened
 - Under-resourced Twin Cities households had median energy burden of **5.11%** vs. 2.32% for non-under-resourced
- Increased **health and comfort**
- Long-term savings
 - Reduced energy/water bills and **lower maintenance costs**



Average Energy Burden (% income)



- Energy burden: the proportion of household income spent on energy costs
- Under-resourced households, households in Greater Minnesota, and communities of color consistently face **disproportionately higher energy burdens**

Adapted from U.S. Department of Energy Low-Income Energy Affordability Data (LEAD) Tool



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What policy can do: break down barriers and prioritize equity



- Policies and programs have **historically underserved** under-resourced households
- Current energy policy requires spending minimums for utility programs under-resourced households, but **doesn't incentivize deep energy savings for the households that need it most**
- At the same time, communities throughout the state have **older, less efficient housing stock and face affordable housing shortages**
- We can do more to make sure all Minnesotans have **safe, efficient, and affordable housing**



2020 Bonding Bill

- HF 1, signed into law last October, allocated funds to housing infrastructure bonds and Minnesota Housing's housing development fund for the **rehabilitation and preservation of public housing**
- Allowed priority for proposals that “maximize nonstate resources to finance the capital costs and requests that **prioritize health, safety, and energy improvements**”



What policy can do: forge an equitable future

State policy should ensure that under-resourced communities throughout Minnesota benefit

Opportunities:

- Expand **programs serving under-resourced households and multifamily buildings** and strengthen **energy efficiency standards** (HF 164)
- Enable **resources for impacted communities** to invest in clean energy
- Leverage resources to encourage **deep energy savings and holistic retrofits**
- Support **long-term affordability and energy savings** in rental buildings
- Provide **housing and utility assistance** for in-need families and **support federal Weatherization services**



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Centering equity in energy and housing policy

Recent transformative legislation in other states:

- **New York State (SB 6599):**
 - Creates **Energy Efficiency & Housing Advisory Panel and Climate Justice Working Group**
 - Strengthens building energy codes and requires annual building energy benchmarking
 - Creates goal for **20% of residential energy efficiency spending (including multifamily housing) for under-resourced communities**
- **Washington State (SB 5116):**
 - **Prioritizes energy efficiency and conservation in under-resourced households** with a higher energy burden
 - Directs State Department of Commerce to collect, aggregate, and make **publicly available data for each electric utility**, including number and demographics of households served, **level of energy burden and efficiency needs**, housing characteristics, and energy efficiency potential
- **Minnesota can lead!**



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Thank you!

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