

**ELK RIVER MUNICIPAL UTILITIES
SPECIAL MEETING OF THE UTILITIES COMMISSION
HELD AT THE UPPERTOWN CONFERENCE ROOM**

March 12, 2024

Members Present:	Chair John Dietz, Vice Chair Mary Stewart, and Commissioners Paul Bell, Matt Westgaard, and Nick Zerwas
ERMU Staff Present:	Mark Hanson, General Manager Sara Youngs, Administrations Director Tom Geiser, Operations Director Tony Mauren, Governance & Communications Manager Jenny Foss, Communications & Administrative Coordinator
Others Present	Tanju Gulati, Director with Frontier Energy; Doug Eli, Energy Engineer with Frontier Energy; Alexandra Blair, Program Coordinator with Frontier Energy

1.0 CALL MEETING TO ORDER

The special meeting of the Utilities Commission was called to order at 2:30 p.m. by Chair Dietz.

2.0 BUSINESS ACTION

2.1 Conservation Improvement Program Presentation – Frontier Energy

Ms. Youngs presented representatives from Frontier Energy, Tanuj Gulati, Doug Eli, and Alexandra Blair to educate the Commission on the services they will be providing to ERMU's Conservation Improvement Program (CIP) as well as the Utilities' program results over the previous seven years.

Mr. Eli provided an overview of the Energy Conservation and Optimization Act and how it affects ERMU.

While reviewing the chart for low-income spending in Frontier's presentation, Ms. Youngs explained that a large portion of that spending is from collaborative efforts with the Tri-County Action Plan.

Chair Dietz asked how commercial customers are made aware of the rebate programs available to them.

Ms. Youngs explained that ERMU is communicating to commercial customers that rebates are available. She explained that staff is working with Frontier to reach out to larger users to

make them aware that they are providing services and that their staff is available to help them find ways to receive rebates and reduce usage. Ms. Youngs continued that the goal is to work with the City's community development staff to engage with developers early in their projects on conservation opportunities.

Commissioner Bell noted that schools tend to be large energy users and recommended working with those customers as well.

Mr. Gulati explained that Frontier has a department dedicated to providing services to schools.

Ms. Youngs shared that Frontier also works with CenterPoint Energy and Wright Hennepin Cooperative Electric and has achieved good results with them.

Chair Dietz asked about the consequences for failing to meet mandated energy savings and low-income spending.

Mr. Eli explained that the levels are based on a three-year average, adding that if the Utilities were to miss the criteria one year it could exceed them the next year and avoid any issues.

Chair Dietz asked for examples of penalties for missing the criteria.

Mr. Eli explained that penalties are more common for investor-owned utilities while municipal utilities may face challenges in expanding service in the future. There was discussion.

Mr. Hanson clarified that Frontier Energy fields commercial inquiries on rebates and provides experience and expertise to serve as a resource.

Commissioner Stewart requested that staff provide progress updates on the CIP a few times a year.

There was discussion about common conservation issues Frontier has seen in the field.

Commissioner Westgaard advised that many business owners don't understand the opportunities that are available, and that ERMU and Frontier should be working with City staff during the design of projects to make them aware. He added that he had questions as to whether the facilities designers are considering conservation options when creating plans. There was discussion.

Commissioner Zerwas shared his impression that it makes a lot of sense to enlist the help of experts like Frontier.

Commissioner Zerwas recommended that staff keep track of the businesses that decline services from Frontier initially to contact them again at a later date.

Commissioner Bell asked how staff would be tracking the available rebate dollars.

Ms. Youngs explained that rebate dollars are always available as setting that budget is a business decision. Ms. Youngs expanded that the rebates have to remain with the \$654,000 budget but she could request additional funds from the Commission if they were needed.

There was discussion about establishing a regular update to the commission on the results of the program around the time of the annual filing on June 1.

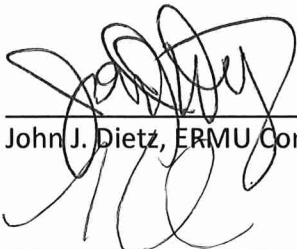
Mr. Gulati explained that Ms. Youngs will have constant access to the savings and spending levels through Frontier's portal site.

Ms. Youngs described the updates to the residential rebate forms. There was discussion.

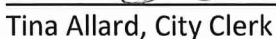
3.0 ADJOURNMENT

Moved by Commissioner Bell and seconded by Commissioner Zerwas to adjourn the special meeting of the Elk River Municipal Utilities Commission at 3:16 p.m. Motion carried 5-0.

Minutes prepared by Tony Mauren.



John J. Dietz, ERMU Commission Chair



Tina Allard, City Clerk