

To be broadcast faxed to MMUA members immediately!

MMUA letterhead

Conservation Improvement Program Alert

As you know, municipal utilities' Conservation Improvement Program filings are due to the Minnesota Department of Commerce on June 1. Legislation passed last year changes the requirements for these programs. We want to advise you of what MMUA is doing in the very near term, with the help of the Center for Energy and Environment, to help you prepare your filing.

1. By May 10 you will receive a **CIP primer** that describes the changes in the law and answers questions that have come up as other municipals have started to prepare their CIPs.
2. We are developing a suite of **six or seven "template" projects** that will be available by May 15. They are expected to cover six or seven of the following types of programs:
 - For residential customers: AC load control, rebates for compact fluorescent lamps, rebates for Energy Star Appliances, low income programs.
 - For commercial customers: lighting rebates, cooling rebates, motor and adjustable speed drive rebates, custom incentives, and load control/load management rates.These will follow the new format required by the Department. The program description will include eligible measures, qualifying criteria, suggested incentive amounts, proposed marketing plans and tracking and evaluation plans. The project support section will describe why the project is a good CIP expenditure under Minnesota law. You will be able to download these, get them by e-mail, or receive them by fax if you do not have e-mail or internet access. You will be able to customize them by changing the incentive amounts, marketing plans and so on if you wish, and estimating your own participation levels and administrative costs. Later, MMUA will be providing templates of marketing materials, rebate forms, tracking forms, etc. that you will also be able to download.
3. We are developing **two turn-key opt-in projects** that will be administered by MMUA. Information on these will also be available by May 15. We expect that they will include compact fluorescent lamp rebates or Energy Star appliance rebates for residential customers, and a commercial lighting rebate program. If you want to participate in these projects, MMUA will later be developing all the marketing materials, rebate forms, tracking processes and so on. MMUA will process all rebate applications. You will only need to mail out marketing materials to your customers, and provide to MMUA the names, addresses and phone numbers of relevant trade allies (e.g., electrical contractors) in your area. If you wish, you can also call or visit these trade allies, and spot check some of the installations in your area, but this will not be required.
4. We are developing an **e-mail question and answer service**. Members will be able to e-mail questions about CIP preparation to CEE at kbutcher@mncee.org, and

responses will be posted on CEE's web site at www.mncee.org. (We have not yet determined how best to circulate this information to members who do not have internet access).

5. We will hold a **half day seminar** addressing preparation of CIP filings on May 21.
6. Last year's **legislation requires all municipal utilities to file a report with the legislature on June 1**. MMUA will prepare and file this report on behalf of all of its members. To do this, **we will be sending you a questionnaire within a few days**, and will need it returned in a very quick time. This will, however, relieve you of the job of reporting to the legislature.
7. We will be developing a **list of programs acceptable to the Department**. Many members may want to keep their existing CIP activities. We will determine which are acceptable to the Department and which are not. We will make this available as soon as possible, but definitely by June 1.
8. We are developing recommended means of evaluating your CIP programs. This will tell you what information you need to track and how to use it to calculate savings, and will be available by October 1.
9. We are developing model contracts to be used with low income weatherization agencies, which will be available by October 1.
10. We are also developing a long term assistance plan for MMUA, due by October 1.

We trust that these activities will help you with your CIP. Please call if you have any questions.

Sincerely,

Jack Kegel
Executive Director