Summary of ECO Statutory References and Resources

Metric	Requirement Notes	Citation
Total Energy Savings	Electric utilities: Annual energy savings goal equal to 1.5% of 3-year average weather-normalized retail energy sales. Gas utilities: Annual energy savings goal equal to 1.0% of 3-year average weather-normalized retail energy sales. 0.90% of the annual energy savings goal must be met with energy conservation improvements. The balance of the annual energy savings goal may be achieved through: - energy conservation improvements; - electric utility infrastructure projects; - load management that reduces a customer's net annual energy consumption; - net energy savings from efficient fuel-switching improvements; or - subject to Department approval, demand-side natural gas or electric energy displaced by use of waste heat recovered and used as thermal energy, including the recovered thermal energy from a cogeneration or combined heat and power facility.	Minn. Stat. § 216B.2403, subd. 2
Energy Savings from Energy Conservation Improvements	0.90% of the annual energy savings goal must be met with energy conservation improvements.	Minn. Stat. § 216B.2403, subd. 2(a)
Total Low-Income Spending	Minimum Spending Goal: 0.2% of three-year average of a utility's residential gross operating revenue. Guidance available[1]	Minn. Stat. § 216B.2403, subd. 5(a) Minn. Stat. § 216B.2402, Subd 16

[1] *ECO Guidance Regarding Definition of Low-Income Household* is available at https://mn.gov/commerce-stat/pdfs/ECO-Guidance-Definition-of-Low-Income-Household.pdf

Metric	Requirement Notes	Citation
Total Spending: Preweatherization Measures	Maximum Spending Cap: 15% of low-income program spending. Prohibited from claiming energy savings from pre-weatherization measures toward the energy savings goal. Guidance available[2]	Minn. Stat. § 216B.2403, subd. 5(f)
Total Spending: Research & Development	Maximum Spending Cap: 10% of the total amount spent on energy conservation, efficient fuel-switching, and load management improvements. Research and development projects must meet the applicable definition of energy conservation, efficient fuel-switching, or load management improvement.	Minn. Stat. § 216B.2403, subd. 3(g)
Total Spending: Distributed and Renewable Generation Projects	Maximum Spending Cap: 5-10% of the total amount spent on energy conservation improvements.	Minn. Stat. § 216B.2411 subd. 1
Total Spending: Biomethane Purchases	Maximum Spending Cap: 5% of the total amount spent on energy conservation improvements.	Minn. Stat. §216B.241, subd. 5b
Total Spending: Energy Conservation Improvements	Electric Utilities Minimum Recommended Investment: 1.5% of total adjusted gross operating revenue. Gas Utilities Minimum Recommended Investment: 0.5% of total adjusted gross operating revenue.	Minn. Stat. §216B.2403, subd. 4
Sustainable Buildings 2030 Performance Standards	Program Offering Requirement: Utilities must include a program offering that is designed to achieve goals consistent with Sustainable Building 2030 performance standards. These programs must include offerings of design assistance and modeling, financial incentives, and the verification of the proper installation of energy-efficient design components in new and substantially reconstructed buildings.	Minn. Stat. § 216B.241, subd. 9(e)

[2] *Technical Guidance for the Inclusion of Efficient Fuel-Switching and Load Management Programs in the Conservation Improvement Program, and Eligible Pre-Weatherization Measures for Low-Income Programs* is available at https://efiling.web.commerce.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={90098F7F-0000-C11B-B04F-C063DF81A5F9}&documentTitle=20223-183807-01.

Metric	Requirement Notes	Citation
	Staff recommend that utilities offer a subsidy for design assistance expenses on a case-by-case basis within their commercial and industrial program(s). Information available.[3]	
Facilitate Professional Engineering Verification to Qualify a Building for Green Building Certification	Program Offering Requirement: Utilities must include a program offering that facilitates professional engineering verification to qualify a building as Energy Star-labeled, Leadership in Energy and Environmental Design certified, or Green Globes-certified. Staff recommend that utilities offer a subsidy for certification expenses on a case-by-case basis within their commercial and industrial program(s).	Minn. Stat. § 216B.241 subd. 1f(c)
Program to Encourage the Use of LEDs	Program Offering Requirement: Electric utilities must include a program to strongly encourage the use of LEDs. Program must include a public information campaign to encourage use of LEDs and proper management of spent lamps and LEDs by all customer classifications.	Minn. Stat. § 216B.241, subd. 5(a)
Low-Income Programs	Program Offering Requirement: Utilities must provide ECO programs to low-income customers.	Minn. Stat. § 216b.2403, subd. 5(a)
Cost-Effectiveness Analysis	ECO portfolio cost-effectiveness considers the cost and benefits to ratepayers, utility, participants, and society.	Minn. Stat. § 216B.2403, subd. 3
Electric Utility Infrastructure (EUI) Measures	Guidance and tools available.[4] EUI projects must result in increased efficiency greater than would have occurred through normal maintenance activity. Further guidance on EUI projects in ECO is contained in the Department's Decision filed on February 20, 2018 in docket 17-856 in the matter of Claiming Energy Savings through Electric Utility Infrastructure Improvements and the Carry Forward Provision and in the Department's Decision filed on October 22,	Minn. Stat. § 216B.1636, subd. 1 Minn. Stat. § 216B.2403, subd. 2

[3] B3 Sustainable Building 2030 Energy Standards webpage. https://www.b3mn.org/2030energystandard/.

[4] *Claiming Energy Savings through Electric Utility Infrastructure Improvements and the Carry Forward Provision* is available at http://mn.gov/commerce-stat/pdfs/final-fryer-d-cip-17-856.pdf. *Determining Normal Maintenance Activities and CIP Review Process for Electric Utility Infrastructure Projects* is available at https://efiling.web.commerce.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId=%7bB0849C66-0000-C310-A767-92B206A5993B%7d&documentTitle=201810-147198-01.

Metric	Requirement Notes	Citation
	2018 in docket 18-543 in the matter of Determining Normal Maintenance Activities and CIP Review Process for Electric Utility Infrastructure Projects.	
Efficient Fuel-Switching (EFS) Improvements	Minnesota Statutes § 216B.2403, subd. 2(a) establishes that utilities may include EFS improvements to meet part of their energy savings goal. Minnesota Statutes § 216B.2403, subd. 8 states that utilities must demonstrate that an EFS improvement meets the following criteria: - results in a net reduction in the amount of source energy consumed for a particular use, measured on a fuel-neutral basis, using (i) the consumer-owned utility's or the utility's electricity supplier's annual system average efficiency, or (ii) if the utility elects, a seasonal, monthly, or more granular level of analysis for the electric utility system over the measure's life; - results in a net reduction of statewide greenhouse gas emissions, as defined in section 216H.01, subdivision 2, over the lifetime of the improvement. For an efficient fuel-switching improvement installed by an electric consumer-owned utility, the reduction in emissions must be measured using (i) the consumer-owned utility's or the utility's electricity supplier's annual average emissions factor, or (ii) if the utility elects, a seasonal, monthly, or more granular level of analysis for the electric utility system over the measure's life; and - is cost-effective, considering the costs and benefits from the perspective of the consumer-owned utility, participants, and society. The Department has developed technical guidance[5] for utilities to use to determine whether deployment of a EFS improvement meets these criteria.	Minn. Stat. § 216B.2403, subd. 2(a) Minn. Stat § 216B.2403, subd. 8
Carry Forward Savings	May carry forward energy savings in excess of 1.5% for a year to the next 3 years (next 5 years specifically for electric utility infrastructure projects). A particular energy savings can only be used to meet one year's goal.	Minn. Stat. § 216B.2403, subd. 2(b)

[5] See the Commissioner Decision on March 15, 2022 in docket 21-837 titled "In the Matter of Technical Guidance for the Inclusion of Efficient Fuel-Switching, Load Management, and Pre-Weatherization Measures in CIP".

Metric	Requirement Notes	Citation
	Guidance available[6]	
Electric Vehicle (EV) Charging Sales	The amount of electric sales prior to 12/31/2032 that are associated with a utility's program, rate, or tariff for EV charging may be excluded from a utility's gross annual retail energy sales. Exclusions began with 2022 EV charging sales. Guidance available[7]	Minn. Stat. § 216B.2402, subd. 10
ECO Exempt Customers	Excluded from gross annual retail energy sales and gross operating revenues.	Minn. Stat. § 216B.2403, subd. 3(i)
Reduced Energy Saving Goal	Requires request to and determination by the Department's Commissioner. Request must be made by January 1 of the year when the plan is filed (i.e. at least 6 months prior to filing plan).	Minn. Stat. § 216B.2403, subd. 3(k)
Minnesota Technical Reference Manual (TRM)	Utilities are required to use the TRM for their energy savings calculations. See the Department's TRM webpage and use the "Year Effective" version of the TRM that corresponds to the Plan year that your utility is reporting.[8]	
Measurement and Verification Protocols	Pre and post M&V plans are required for individual custom projects with estimated annual savings greater than 1,000,000 kWh or 20,000 MCF Document available[9]	

[6] *Claiming Energy Savings through Electric Utility Infrastructure Improvements and the Carry Forward Provision* is available at http://mn.gov/commerce-stat/pdfs/final-fryer-d-cip-17-856.pdf.

[7] *Technical Guidance to Determine Eligible Electric Vehicle Charging Sales to be Deducted from Utility Gross Annual Retail Energy Sales* is available at https://efiling.web.commerce.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={70AE0C7E-0000-CE17-8D33-2BB0C26177D4}&documentTitle=202112-181101-01.

[8] Minnesota Technical Reference Manual is available at https://mn.gov/commerce/energy/industry-government/cip/technical-reference-manual/.

[9] *Measurement and Verification Protocols for Large Custom CIP Projects Version 1.0* is available at https://mn.gov/commerce-stat/pdfs/cip-mv-protocols-large-project.pdf.