Designing Effective Programs through Stakeholder Engagement

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MN Department of Commerce
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Minnesota’s Energy & Climate Goals

1980:
- Conservation Improvement Program

1981:
- Net Energy Metering

1994:
- Xcel Renewable Mandate: 425MW wind, 110MW biomass by 2002

2001:
- Renewable Energy Objective: 10% RE x 2015

2002:
- Metropolitan Emissions Reduction Project (Coal retirements)

2007:
- **Next Generation Energy Act:** 27.5% RE x 2025 + 1.5% EE/yr

2013:
- **Solar Energy Jobs Act:** 28.5% RE x 2025
POLICY & PROGRAM DEVELOPMENT

- DATA
- ANALYSIS
- NEUTRALITY
- COMMUNICATION
- ENGAGEMENT
Reduced from just under 60% to 40%

Saved Minnesotans over $6 Billion

Coal Generation

Reduced from just under 60% to 40%

CO₂ Emissions

Reduced by almost 29% from 2005 baseline

Renewable Energy

Developed over 3,700 MW’s of Wind Energy

Minnesota: Impact of Efforts to Date
## Today’s Agenda

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B.O.B. and W.O.W in Stakeholder Engagement
engagement noun

Definition of engagement

1  a  : an arrangement to meet or be present at a specified time and place
     // a dinner engagement
   b  : a job or period of employment especially as a performer

2  : something that engages : PLEDGE

3  a  : the act of engaging : the state of being engaged
   b  : emotional involvement or commitment
     // seesaws between obsessive engagement and ambiguous detachment
     — Gary Taylor
   c  : BETROTHAL

4  : the state of being in gear

5  : a hostile encounter between military forces
### What Engagement IS
- Talking to people in addition to day-to-day duties
- Educational
- Planned
- Us reaching out to stakeholders
- Proactive, not reactive
- Feedback of the broader public (e.g. listening sessions)
- Organizing a conference or public meeting that includes broad public access
- Presenting at a conference of the industries we regulate

### What Engagement IS NOT
- Day to day mtgs/calls
- Responses to inquiries
- Having lunch with someone you just ran into to discuss an issue
- Stakeholders reaching out to us
- Responding or investigating a specific complaint
- Disaster Response
- Procedural meetings
- Attending or presenting at a national conference of regulatory agencies
Stakeholder Engagement...Expanded

- **Ignore**
  - Develop programs in a vacuum

- **Inform**
  - Provide Stakeholders with Information

- **Consult**
  - Gather input from Stakeholders

- **Involve**
  - Ensure stakeholder needs and assets are integrated into process and inform planning

- **Collaborate**
  - Ensure stakeholder capacity to plan a leadership role in implementation of decisions.

- **Empower**
  - Bridge the divide between gov’t and stakeholders by fostering democratic participation/equity
Example 1:
Electric Utility Infrastructure Efficiency Studies
Minnesota’s Conservation Improvement Program (CIP) is a long-term success AND Statute specifically allows utilities to count Electric Utility Infrastructure (EUI) efficiency toward their CIP goals.

BUT CIP has been historically focused on the demand-side. Very few EUI projects.

SO Commerce embarked on a series of projects to leverage existing, effective CIP tools to drive EUI efficiency implementation in Minnesota.
Project Goal

- Estimate statewide potential for Electric Utility Infrastructure (EUI) efficiency
- Develop tools to help utilities capture EUI efficiency
- Clarify policy landscape surrounding EUI
  - Develop policy guidance (such as the “normal maintenance” definition)
- Reduce barriers and ultimately drive implementation of Electric Utility Infrastructure efficiency projects

The EUI Project was made possible by a grant from the U.S. Department of Energy – State Energy Program
EUI Stakeholder Engagement Process

• Four large, open stakeholder meetings

• Presentations from experts in: technology, policy, and infrastructure design from a variety of perspectives

• Incorporate findings from stakeholder surveys and the Potential Study

• Advisory Committee helped guide the process and set agendas

• Developed an Action Plan with recommendations for stakeholders

• Disseminate results

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Example 2: Minnesota’s 2025 Energy Action Plan
MN’s 2025 Energy Action Plan: Goal

- Improve understanding of the state’s energy landscape
- Advance a clean, reliable, resilient, and affordable energy system for Minnesota
- Meet Minnesota Statute 3.8852:
  - develop a planning strategy for a sustainable energy future
  - establish strategies to meet state’s energy goals (e.g. RPS, EERS, fuel standards)
  - prepare for next steps beyond existing goals

MN’s 2025 Energy Action Plan was made possible by a grant from the U.S. Department of Energy – State Energy Program
Conducted a stakeholder engagement process to develop a consensus-driven strategy report:

- Identified factors for success (solutions vs barriers)
- Provided initial steps to implement recommendations
- Noted self-identified champions to lead activities
- Acknowledged related initiatives and cross-sector opportunities
- Provided project resources and studies

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Example 3:
Connecting Low-Income Communities through Efficiency & Renewable Sources
CLICERS: Goal

Connecting Low-Income Communities through Efficiency and Renewable Sources (CLICERS)

Goals:

• Make solar power more accessible for low and moderate income Minnesotans; and

• Develop an effective pathway out of energy poverty for high-burden, low-income individuals, through coordinated alignment of programs, leveraging resources, and client education.
Core Advisory Committee
- Arnie Anderson, MN Community Action Partnership
- Timothy DenHerder-Thomas, Cooperative Energy Futures
- Jason Edens, Rural Renewable Energy Alliance
- Lynette Engelhardt Stott, Three Rivers Community Action
- Katie Frye, MN Power
- Nick Mark, CenterPoint Energy
- Pam Marshall, Energy CENTS Coalition
- Rebecca Olson, Center for Energy and Environment
- Ben Passer, Fresh Energy
- Jessie Peterson, Xcel Energy
- Jodi Slick, Ecolibrium3
- Jamez Staples, Renewable Energy Partners
- Janet Streff, Streff Consulting
- Katherine Teiken, MN Housing Finance Agency
- Brandy Toft, Leech Lake Band

CLICERS Task Forces

Program Evaluation Task Force
- BJ Allen, Rural Renewable Energy Alliance
- Deb Flannery, Greater MN Housing Fund
- Katie Frye, MN Power
- Jason Grenier, Otter Tail Power
- Ralph Jacobson, Innovative Power Systems
- Nick Mark, CenterPoint Energy
- Rebecca Olson, Center for Energy and Environment
- Ben Passer, Fresh Energy
- Yvonne Pfeifer, Xcel Energy
- Katherine Teiken, MN Housing Finance Agency
- Luke Tessum, SEMAC
- Scott Zahorik, Arrowhead Economic Opportunity Agency

Reducing Energy Poverty Task Force
- Arnie Anderson, MN Community Action Partnership
- Melissa Birch, CERTs
- Anna Carlson, Bemidji State University
- Victoria Clark, North Country Foundation
- Courtney Overby, North Country Foundation
- Lisa Daniels, Windustry
- Lynette Engelhardt Stott, Three Rivers Community Action
- Julia Frost Nerbonne, MN Interfaith Power and Light
- Pam Mahling, Honor the Earth
- Chris Meyer, SE Regional CERTs
- Vicki O’Day, Rural Renewable Energy Alliance
- Pam Schmidt, MN Power
- Ryan Zemek, Headwaters Regional Development Commission
CLICERS: Stakeholder Engagement Process

MN's CLICERS initiative made possible by a grant from the USDOE Solar Energy Technologies Office + USDOE Better Buildings Accelerator
CLICERS: Stakeholder Engagement Process: Results

- Task forces identified five main barriers and 15 potential solutions

- Implementation plan is in progress:
  - Model LI Solar incentive program
  - WAP+solar
  - NASEO Equity Task force
  - Commerce lens:
    - Energy Equity Team
    - Program assessment
    - Policy development
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A Second Look at Stakeholder Engagement
stakeholder  noun
sta·ke·hold·er  |  \'stāk-,hōl·dər\ 

Definition of stakeholder
1  : a person entrusted with the stakes of bettors
2  : one that has a stake in an enterprise
3  : one who is involved in or affected by a course of action

Defining Stakeholders
To “subscribe”
IMPACT & INFLUENCE
IMPACT & INFLUENCE

INFLUENCE

IMPACT / THOSE IMPACTED
Core values in stakeholder engagement
Core values in stakeholder engagement

- HONESTY: Establish what you are doing....and what you are not
Core values in stakeholder engagement

• HONESTY: Establish what you are doing and what you are not

• PATIENCE: True stakeholder engagement takes time
Core values in stakeholder engagement

• HONESTY: Establish what you are doing....and what you are not

• PATIENCE: True stakeholder engagement takes time

• LEARNING: It is an evolving, ongoing process. Be wary of expert syndrome...and stakeholder fatigue...
Core values in stakeholder engagement

• HONESTY: Establish what you are doing...and what you are not

• PATIENCE: True stakeholder engagement takes time

• LEARNING: It is an evolving, ongoing process. Be wary of expert syndrome...and stakeholder fatigue...

• LISTENING: Begin...and continue....by being open
Questions – Comments – Additional Insights
~ thank you ~