

July 27, 2026

Dr. Sydnie Lieb
Assistant Commissioner
Minnesota Department of Commerce
85 7th Place East Suite 500
Saint Paul, MN 55101-2198

DRAFT Re: Comments on Xcel Energy's 2027–2029 Energy Conservation and Optimization (ECO) Triennial Plan (Docket No. E,G002/CIP-26-110)

Dear Assistant Commissioner Lieb:

The City of Northfield appreciates the opportunity to provide comments on Xcel Energy's proposed 2027–2029 Energy Conservation and Optimization (ECO) Triennial Plan.

Northfield evaluates policy decisions through the guiding principles of its 2045 Comprehensive Plan: economy, environment, and equity. These principles emphasize investments that support long-term financial sustainability, equitable access to opportunities, and climate resilience while recognizing the tradeoffs among these goals. The proposed ECO Triennial Plan advances all three priorities.

As buildings represent one of Northfield's largest sources of greenhouse gas emissions, utility conservation and electrification programs are essential to achieving the City's Carbon-Free Community by 2040 goal while improving affordability for residents and businesses. The City offers the following comments for the Department's consideration:

1. Expand Access for Income-Qualified Households

The City supports the proposed increase in funding for income-qualified programs and the continued emphasis on reducing energy burdens for Minnesota households. To ensure these investments translate into greater participation, the final Plan should provide additional detail regarding program implementation. Specifically, the filing should explain how the proposed income-verification platform will operate, how customer privacy and data security will be protected, and what alternatives will be available for customers who lack reliable internet access or digital literacy, as well as customers who may be hesitant to provide personal information due to privacy concerns, immigration status considerations, or other barriers to participation.

2. Strengthen Building Decarbonization Strategies

The City supports the Plan's continued investment in building energy efficiency, heat pumps, beneficial electrification, and bonus rebates that pair insulation improvements

with air-source heat pumps. These comprehensive projects reduce customer energy costs while advancing Northfield's climate goals.

The proposed incentives, however, should better align with the Plan's stated policy direction. While the filing indicates that incentives for natural gas furnaces will decline as the market transitions toward electrification, the proposed rebate schedule does not reflect that transition between 2026 and 2027. The rebate schedule should clearly phase down conventional furnace incentives while continuing to support dual-fuel systems where appropriate during the transition.

The Plan identifies residential induction ranges and electrical panel upgrades as eligible home equipment measures but does not specify rebate amounts. To address electrical panel capacity barriers to residential electrification, the final Plan should clearly identify incentives, rebate levels, and eligibility requirements for these measures.

3. Improve Program Transparency and Customer Navigation

The Home Energy Squad program should more clearly describe how customers move from an initial assessment to project implementation. Terms such as "wrap-around support" and "when appropriate" are too vague for customers and local partners to understand how the program will function. The filing should define these services, explain when efficient fuel switching is presented as an option, and describe how advisors connect customers with rebates, financing opportunities, and follow-up services.

The filing also indicates that the residential online storefront will be discontinued. The final Plan should explain how customers will continue to access and purchase simple energy-saving equipment, such as LED lighting and water-saving devices, and how the replacement approach will improve customer participation. Clear customer pathways throughout the ECO portfolio will reduce confusion, improve participation, and maximize the value of Minnesota's conservation investments.

4. Provide Greater Certainty for Business and Industrial Customers

The City supports continued investment in decarbonization and electrification programs for commercial and industrial customers but recommends greater certainty regarding several proposed program changes. The final Plan should clearly identify customer copays associated with business advisory services so businesses can better understand the costs of participation.

The proposed elimination of Commercial Sustainability Assessments (CSA) also creates uncertainty. Although the filing states that alternative services will be available, it does not identify those services, explain who will provide them, or describe how the transition will occur. The final Plan should identify the replacement program and demonstrate that businesses will continue to receive comparable technical assistance without interruption.

507-645-8833
northfieldmn.gov



801 Washington Street
Northfield, MN 55057

Thank you for the opportunity to provide these comments. The City appreciates the Department's thoughtful review of Xcel Energy's proposed Triennial Plan and looks forward to continued collaboration to ensure Minnesota's ECO programs remain effective, equitable, customer-focused, and well aligned with both statewide policy objectives and locally adopted community goals.

Sincerely,

Ben Martig
City Administrator
City of Northfield