

St. Paul 350 Response to Draft Climate Action and Resilience Plan

April 2019, Draft 0

Introduction

Saint Paul 350 has been pleased to engage with the City of Saint Paul on the draft Climate Action and Resilience Plan. We are a group of volunteer Saint Paul residents committed to ending the pollution damaging our climate, speeding the transition to clean energy, and creating a just and healthy future for all members of our communities. As more of our neighbors seek ways to respond to the climate crisis, Saint Paul 350 is organizing meaningful actions for us to take together. We understand our engagement in the City's planning process to be one of those actions.

We applaud the draft Plan's bold commitments on transit and building efficiency, and its attention to equity. But as food systems are also a significant source of carbon (via transportation and waste) and as they face disruptions due to increasingly severe weather events, we also ask for greater attention to urban agriculture as a means to sequester carbon and build community resilience. Urban agriculture is an area where diverse grassroots organizations are leading in Saint Paul, and we urge the City to resource and partner with this promising movement.

We are most concerned that the draft Plan reflects a strong partnership with Xcel Energy, while lacking meaningful engagement with Saint Paul stakeholders. In this time of climate crisis, we cannot afford to trust our energy future to a corporation whose primary responsibility is to private shareholders rather than public stakeholders. As we prepare to renegotiate our franchise agreement with Xcel Energy in 2021, we call on City leadership to develop an innovative, equitable, and resilient energy vision for Saint Paul, including exploring the benefits of municipal power, advocating for community choice aggregation at the state level, and engaging with relevant Public Utilities Commission rulings as Xcel Energy submits its draft Integrated Resource Plan for the next 15 years.

As we know from climate scientists, the next 15 years are crucial to the health of our climate and wellbeing of our communities. We must not only decarbonize our transportation and energy grid as quickly as possible, but also build resilient, regenerative, and equitable systems to respond to climate disruptions that are already underway and likely to increase. Saint Paul 350 challenges City leadership to cast a bold vision as we respond to this urgent crisis. And we commit to organizing political will and grassroots action to help realize this vision for the city we call home.

Process—Stakeholder inclusion, accountability

The "Vision for 2050" (pg. 10) states that

Politically engaged residents empowered to make decisions help sustain long term involvement. Our youth benefit from a strong network of educational resources, learning opportunities, and

are engaged in every aspect of decision-making. A clear focus on innovation, workforce participation, and opportunities for all students in the green jobs of the present and future ensure access to green workforce training at the post-secondary level. Environmental stewardship is a hallmark of Saint Paul's climate action and adaptation efforts.

In addition to engagement with the general public, we ask that the following Saint Paul stakeholders be intentionally and meaningfully engaged in the ongoing development and deployment of this plan:

- Youth (see the Saint Paul Climate Inheritance Resolution passed unanimously in 2018 [RES 18-1361], which mandates their involvement in this process)
- Trade union leaders (workforce development must be a part of our climate action and resilience plan, given the number of new green jobs that will be created)
- Residents with the highest energy burdens (equity)
- Local Dakota (and other American Indian) leaders (see section on natural infrastructure and food systems below)
- Recent immigrants/refugees (see section on natural infrastructure and food systems below)
- Educators
- Health professionals
- Faith leaders

The "Vision for 2050" (pg. 10) also states that "it will be essential for Saint Paul to update this Plan every five years." As we know from the UN Intergovernmental Panel on Climate Change (IPCC), we have only eleven years to remediate the catastrophic path our planet is on now. Therefore, this plan must be reviewed and evaluated much more frequently—every year or, at least, every other year—so that necessary adjustments can be made. The results of each review and evaluation of progress must then be shared with stakeholders in a timely manner.

The plan needs more detail on the following aspects of process and accountability:

- How often will the plan be reviewed and progress evaluated?
- Who will administer these reviews and progress evaluations?
- How will progress be measured?
- How will the results be presented to stakeholders (City Council presentations, community meetings, a City web page, emails, other methods)?
- What will the process be for communicating and then getting feedback from stakeholders on intermediate steps and adjustments to the plan?

Transit

We are thankful for the strong commitment to reduction of vehicle miles traveled, increased use of transit, and new infrastructure to support vehicle electrification. We ask for more engagement with Saint Paul transit advocates (including bike and walking infrastructure), transit users, and other

community stakeholders as concrete plans and policies are developed. For example, in our discussions with transit advocates, they mentioned the value of municipal sidewalk clearing both in terms of accessibility (which greatly increases the likelihood that people will use transit year-round), public safety, and reducing the use of excessive salt that pollutes our waterways. We also ask that transit-related efforts focus on Rondo and other communities that have suffered the worst inequities as a result of disastrous transit decisions and decades of vehicle-related air pollution.

Building Efficiency

We appreciate the strong commitment to energy efficiency in the business and residential building sectors. Since Saint Paul cannot require developers to follow codes that go beyond State mandates, we recommend that the City:

- Prepare solar-ready guidelines for developers
- Require a solar feasibility assessment and a financial pro forma
- Offer an expedited permitting process for developers who do choose to use renewable energy and high efficiency designs

The purpose of these guidelines, requirements, and incentives is to educate developers on the benefits of solar and encourage them to choose efficient designs that use renewable energy. It also signals that Saint Paul is serious about becoming a leader in innovative energy designs such as solar, geothermal, heat pumps, and district heating and energy.

As we seek solutions for our shortage of affordable housing, we also ask that Saint Paul would explore the intersections between energy efficiency and affordability. For example, can improving efficiency (and therefore lowering utility expenses) make it possible for people to stay in their homes who otherwise might be forced to move? Can inclusive financing make it possible for people to afford energy efficiency upgrades without going into debt? Can purchasing shares in cooperatively-owned community solar gardens help low-income households save money and build equity, and protect them from potentially volatile price increases associated with fossil fuel energy?

Equity

We appreciated the attention to equity issues throughout the Climate Action and Resilience Plan, and casting a vision in which “all residents have a manageable energy burden” (pg. 10). We ask that there would be more concrete plans to reduce the energy burden on the most vulnerable people. In particular, we ask that the City explore inclusive financing as a way to make energy efficiency, renewable energy, and energy storage projects accessible and affordable to small businesses, landlords, and middle- and low-income people.

Natural infrastructure and food systems

While transit and building efficiency are the most effective ways to reduce Saint Paul's carbon footprint, focusing on our food system (including locally produced regenerative agriculture) is an often overlooked opportunity to sequester carbon and further reduce emissions associated with vehicle miles traveled, food waste, and energy use (due to loss of canopy, ground cover, etc). More importantly, urban agriculture and natural infrastructure are key to building resilience in our communities as our food systems face greater disruptions due to increasingly severe weather events.

The "Vision for 2050" (pg. 10) states

By preserving, growing, and diversifying our urban canopy and ground cover on both public and private land and cultivating urban agriculture we continue to prepare for, and adapt to, the effects of climate change. Neighborhood parks and trails help make Saint Paul a healthy and safe place for all.

We applaud this vision but we don't see it resourced in the plan itself. Including a section on urban agriculture is also an opportunity to recognize and engage community leaders who are already doing amazing work, such as Urban Roots, Frogtown Green, Dream of Wild Health, Urban Farm and Garden Alliance, Hmong American Farmers Association, Lower Phalen Creek Project, and more. Many of these organizations demonstrate that restorative agriculture and land use are also culturally restorative and healing, another key component of resilience as we prepare to receive increasing numbers of climate refugees.

Saint Paul is already a national leader for our parks and trails. Further resourcing and developing our grass roots urban agriculture movement will build on this reputation and prepare our communities for challenges associated with our climate crisis.

Energy Policy

Our main concern with the draft Climate Action and Resilience Plan is that it does not have an energy vision. The plan engages our private utility Xcel Energy throughout, while neglecting the local stakeholders mentioned above.

While Xcel Energy is a national leader among investor-owned utilities, we are concerned that trusting our energy future to a for-profit corporation in this time of climate crisis is not adequate. We must be prepared to act boldly for the public good.

The "Vision for 2050" (pg. 10) states:

Uncertainty is viewed as an opportunity, challenging us to innovate with changing technology to adapt to continued advances in shared-mobility, energy efficiency, and renewable energy. All residents have a manageable energy burden.

We are concerned that investor-owned, utility-scale power generation is not able to innovate, adapt, and deploy renewable energy as quickly as we need in this time of climate crisis. For example, even though renewable energy is now cheaper than fossil fuels in many cases and we already have the technology we need to transition to 100% clean energy ([Minnesota's Smarter Grid: Pathways Toward a Clean, Reliable and Affordable Transportation and Energy System](#)), Xcel Energy has no plan for new wind energy and the solar additions, while ambitious, are dominated by utility scale solar and include very little residential, commercial, or solar garden generation. Instead, they are continuing to invest in nuclear and fossil fuels.

We are especially alarmed by Xcel Energy's plan to introduce more fracked gas energy, including its recent bid to purchase a fracked gas plant and build at least one more fracked gas plant that would remain in production through 2058. Decisions like these contradict Xcel Energy's stated goal of carbon free energy by 2050, and put Saint Paul's commitment at risk as well.

Besides the high GHG emissions produced by fracked gas, which includes "fugitive" methane leaks during extraction and throughout the distribution infrastructure, continued dependence on this fossil fuel will needlessly expose Xcel Energy customers to volatile price swings and the high cost of paying off the investment when the plant is inevitably retired early (as we have seen recently with Xcel Energy's coal-fired power plants). These costs will disproportionately affect Saint Paul residents who have the highest energy burden.

Another concern with our continued dependence on a vertically integrated utility is the limits this places on building a smart electrical grid that uses locally produced renewable energy. For example, the draft Climate Action and Resilience Plan noted that there is potential for 800 MW of rooftop solar—40% of our total energy use—within Saint Paul city limits (pg. 37). We are eager to begin developing this local resource, starting with rooftops on Saint Paul Public Schools (our Saint Paul 350 team as been working on a campaign for SPPS to host cooperatively owned community solar gardens, which would supply enough energy to power 2800 Saint Paul households in diverse, low income neighborhoods; a resolution in support of this campaign overwhelmingly passed at the DFL City Convention). However, Xcel Energy is the biggest opponent of distributed energy at the legislature.

Benefits of transitioning from an investor-owned utility to a municipal power model include:

- Increased local control
- Freedom to start implementing smart grids and distributed renewable energy plus storage instead of waiting until large fossil fuel investments are paid off
- Public investment and oversight of utility costs (approximately \$346 million in 2015)
- More money spent on energy circulates in the local economy instead of being distributed to out-of-state shareholders

- Creation of green local jobs
- Access to tax exempt financing

Therefore, in spite of Xcel Energy's leadership among investor-owned utilities, we strongly urge Saint Paul to consider a similar path to the one that Minneapolis took during their Climate Action Plan process. Particularly in these next two years before our Franchise Agreement with Xcel Energy will be renegotiated, we ask that Saint Paul would develop a strong energy vision and explore our options for transitioning to clean energy as fast as possible, including municipal power, community choice aggregation, or negotiating very innovative terms in our partnership with Xcel Energy that allow Saint Paul to fully develop our potential for locally produced clean energy and storage.

Climate Action and Resilience Leadership

Another reason to develop a clear vision for energy policy independent of Xcel Energy is that cities have an opportunity and obligation to demonstrate leadership on climate action and resilience, especially in light of climate denialism at the federal level, the failure of the state legislature to pass significant energy policy, and the lawsuits and audit the Public Utilities Commission is facing due to questionable rulings and poor community engagement.

The "Vision for 2050" (pg. 10) states "As a capital city with a thriving economy, Saint Paul is a leader in cross-sector approaches to emissions reduction, adaptation, and resilience and a model for both urban and rural communities in Minnesota."

As a means to achieving this leadership vision, we have adapted the following recommendations from the Energy Pathways Study conducted by the Center for Energy and Environment on behalf of the Minneapolis City Council:

- **Renew the City's utility franchise agreement with targeted enhancements, and for shorter terms.** The franchise agreement should be a shorter term, and renewal should be made contingent on satisfactory progress being made through additional agreements with the utilities.
- **Pursue additional, broader "Clean Energy Agreements" with Excel Energy in which the City suspends its right to municipalize in exchange for utility commitment to meet the City's clean energy goals.** These agreements would include the formation of a Clean Energy Coordinating Partnership, made up of City and utility leadership. This partnership would set program and policy goals, and help provide planning, leadership, coordination, promotion, and accountability for meeting these goals.
- **Use this Clean Energy Coordinating Partnership to leverage statewide policies, City municipal regulatory authority and community relationships, and utility expertise and funding to increase the penetration rate of efficiency and renewable energy, reliability, and equity of energy services in Saint Paul.** Significant progress can be made on specific programs and

policies to advance energy efficiency and renewable energy were the City to take full advantage of existing and enhanced utility programs in concert with specific City regulatory functions.

- **Continue to engage in state energy policy decisions that can improve the City's ability to meet its goals. Policy decisions made at the Public Utilities Commission, the Minnesota Department of Commerce and Minnesota Legislature have a direct impact on energy outcomes.** The City should continue to dedicate attention and resources to legislative issues, and participate in regulatory proceedings. Examples include legislation that clarifies the purpose and role of City-utility energy partnerships, solar rate reform, utility resource planning, and data privacy and access.
- **Continue to pursue mid- and long-term options for increasing the City's control over its energy future.** Pathways like Community Choice Aggregation (CCA) and municipalization offer the City the most control over its energy supply.

Examples of state-wide policy where Saint Paul could be a leader and advocate for climate action include:

- **Building Efficiency:** Support the multi-city coalition that is advocating for Sustainable Buildings 2030 Energy Standards (SB2030) state-wide stretch code legislation.
- **Transit:** Since freeways are the biggest transit contributors to sprawl, inequity, expense, and pollution, we support bold solutions such as the removal or burial/covering of Highway 94 through downtown and Rondo.
- **Water Quality:** Participate in the regulatory process regarding the Line 3 pipeline, which the Department of Commerce ruled was not needed, and which would unnecessarily put Saint Paul's drinking water at risk (the proposed tar sands pipeline will cross the Mississippi River twice near the headwaters).
- **Divestment:** Work with the Minnesota State Board of Investment to ensure that city employee pensions are being divested from fossil fuel money, per the City Council resolution passed unanimously in 2016 (RES 16-289).
- **Energy Policy:** Partner with Minneapolis and other cities with 100% clean energy goals to advocate for a detailed study of how Community Choice Aggregation could operate in Minnesota and for changes to state law that would remove barriers to municipalization.
- **Energy Policy:** Participate in the regulatory process beginning July 1 as Xcel Energy submits its 2019 Integrated Resource Plan to the Public Utilities Commission for review. As we know the next 15 years are crucial for our climate. As an important stakeholder in the IRP process, the City of Saint Paul can influence decisions regarding significant investments in fracked gas power which will affect our city as well as Xcel's 3 million other customers.

Conclusion

Saint Paul is uniquely positioned to be a leader in climate action and resilience. Our location on the Mississippi River, our status as a capital city, our access to Xcel Energy headquarters, our practice of welcoming immigrants and refugees, our strong educational, health, labor, and agricultural institutions, vibrant grassroots organizations, and our world class parks and trails system all equip us to face this climate crisis with ingenuity and urgency. In this age of weakened public institutions and

disproportionate corporate power, building trust through transparency, sincere engagement with diverse constituents, and cultivation of shared goals is imperative.

We are thankful for the draft Climate Action and Resilience Plan's focus on decarbonizing our transportation and increasing energy efficiency in residential and commercial buildings. We call on City leadership to create an independent energy vision that includes concrete plans to develop distributed renewable energy plus storage and innovative energy solutions such as geothermal, heat pumps, and district heating and energy. Saint Paul 350 is committed to building political will for rapid and equitable transition to clean energy and resilient communities. Now more than ever we need vision, we need courage, we need each other.