



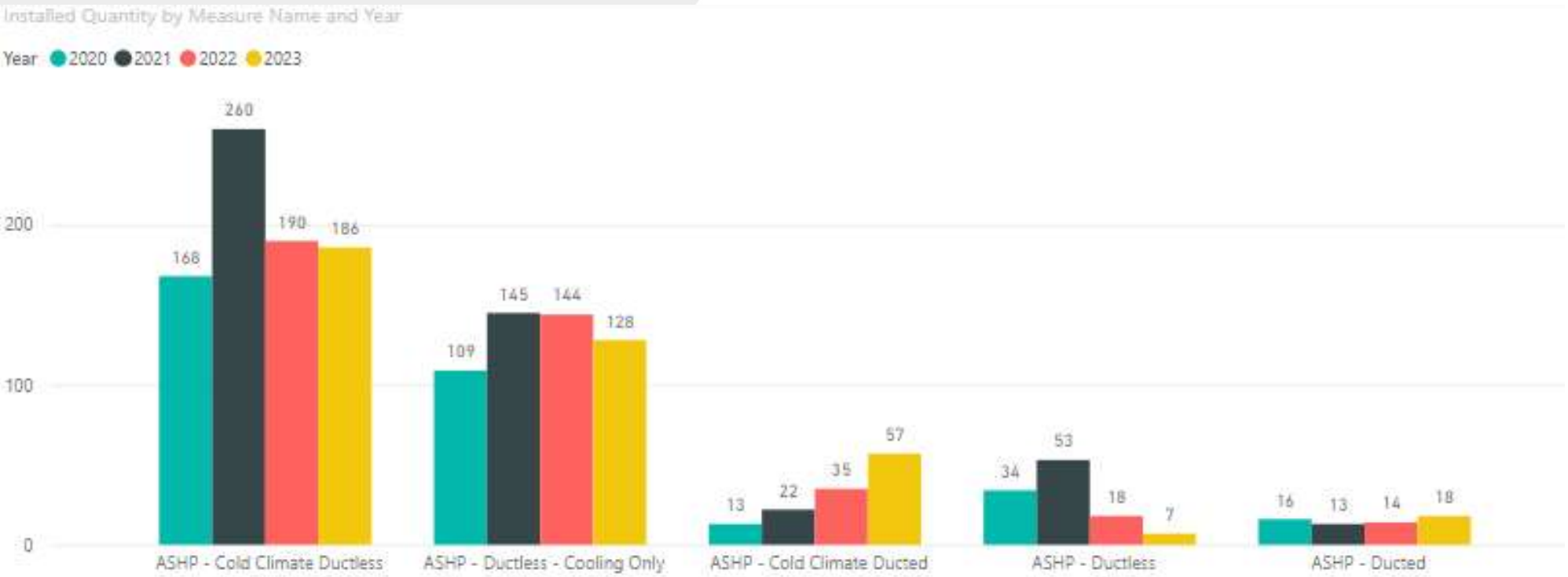
AN ALLETE COMPANY

Minnesota Power Updates

2023 Overall – Thank You!

- YTD **171%** to our savings goal!
- YTD estimated **3,149,232 kWh Saved**
 - Average home uses 750 kWh monthly
- YTD **30%** increase in Ground Source Heat Pump Rebates
- Over **330** Contractor Incentives (Spiffs) Paid
- **180** active businesses in Minnesota Power's participating contractor network.

ASHP - Year over Year Rebates



2024 - Updated Three Year Plan

- Every three years Minnesota Power files a Triennial plan
- Included in this filing:
 - Rebate Changes
 - Program updates
- Important period for energy conservation programs:
 - ECO – efficient fuel switching
 - Inflation Reduction Act
 - Demand Response

How do we design rebates and programs to make it easy for you and customers?

2024 Rebates: ASHP = SIMPLE

	Ducted	Ductless
Energy Star[®] \$400	ASHP must meet Energy Star[®] Specifications	
Cold Climate \$1,000	ASHP must meet 25C Tax Credit Specifications	

**No existing heat requirements*

**Same rebates for Commercial*

**Rebate per condenser*

ASHP- Why Align with the 25C Tax Credit?

- **Customers will ask for equipment that is 25C tax credit eligible.**
- **Consistent set of requirements between tax incentives and MP rebates.**
 - Didn't want to complicate your process with different specifications.
- **Makes recommending systems easier.**
 - Tell customers that these systems will qualify for both incentives!

We will cover different ways to identify qualifying equipment later. Minnesota Power has also published resources on our HVAC Contractor Portal.

2024 Residential Rebates: Ground Source Heat Pumps

Ground Source Heat Pump

- **\$1,000/Ton:** MNGHPA Master Installer
- **\$800/Ton:** Non-MNGHPA Master Installer
 - New and replacement systems qualify
 - GSHP must meet ENERGY STAR® specifications
 - Max rebate up to 50% of the total Installation Costs
- **\$400: DESUPERHEATER**
 - Must be new construction or replacing existing electric water heater.



NEW

**Commercial GSHP rebates vary

2024 Residential Rebates: Thermostats

- **\$50: Low Voltage Wi-Fi Connected Smart Thermostat**
 - Limit one per household, Commercial varies
- **\$50: Line Voltage Wi-Fi Connected Smart Thermostat**
 - No limit per household
- **\$20: Line Voltage Programmable Thermostat**
 - No limit per household
- **\$50: Thermostat/Adapter – ASHP Ductless** 
 - No limit per household

2024 Residential Rebates: Air-to-Water Heat Pump

\$400/Ton: Air-to-Water Heat Pump

- 1.7 or greater Coefficient of Performance (COP) at an A5W110. Must be new construction/addition or replacing an electric heat source.
- Qualified Equipment list being developed.

Planning Air-to-Water Heat Pump trainings in the future!



2024 Residential Rebates: Additional Rebates

- **\$100: ECM – Circulator Pump**

- Must be variable speed and < 1 HP
- Varies if Commercial

Changed

- **\$25: ASHP Tune-Up**

- Once every two years (three for Commercial)
- Requires filter change/cleaning and coil cleaning

- **\$300: ERV/HRV- Energy/Heat Recovery Ventilator**

- Must serve entire conditioned space of home
- Must be installed in homes with existing electric heat or new construction

NEW

New Construction Energy Efficiency Program

More than \$4,000



in incentives are available for Minnesota Power customers building a new home!

Requirements to Participate:

- Home must be heated primarily with electric heat
- Home will have an ERV/HRV with a minimum sensible recovery efficiency of 60% or greater

BONUS HVAC Incentives:

- **\$1,500: Cold Climate ASHP** (Ducted/Ductless)
- **\$500: Energy Star ASHP** (Ducted/Ductless)
- **\$1,200/\$1,000/Ton: GSHP** (MNGHPA Master Installer/Non-MNGHPA Master Installer)

2024 Contractor Incentive (Spiffs)

Minnesota Power offers Contractor Incentives as a thank you for promoting energy efficient products and rebates. These incentives will apply for both Residential and Commercial installations!

\$100: Air Source Heat Pumps (Ducted/Ductless)

- **\$25** for each additional condenser installed at a property

\$300: Ground Source Heat Pumps

- Replacement systems do not qualify

Contractor Incentives – Automatic Payments



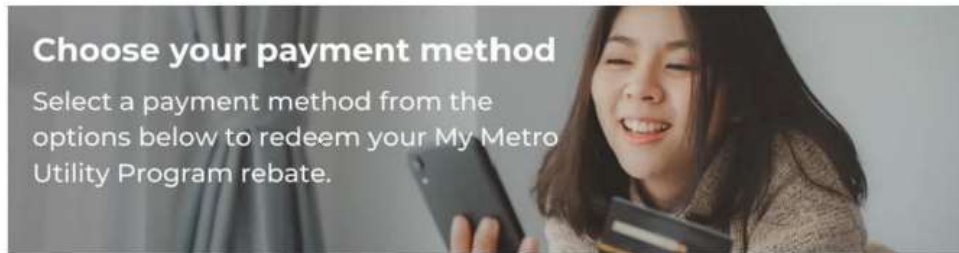
- Alternative to checks
- How it works:
 - Register for ACH payments
 - Receive email alerting payment is being processed
 - Direct payment to bank account within 5 business days
- Opt-in or out at any time
- Watch for emails over next couple months!

Rebate Payment Options for Customers

Additional options for customers beyond checks*

- Prepaid Mastercard®
 - Physical
 - Digital
- Home Depot Gift Card
- Amazon Gift Card

- Customer must provide email address
 - Standard check if no email address



*limitations based on dollar amounts

Participating Contractor Network- Benefits

- **Exclusive access to Minnesota Power HVAC Rebates**
- **Contractor Incentives**
- **Contractor Lookup Tool – more exposure**
- **Free Trainings**
- **Cooperative Advertising Funding**
- **Dedicated team to support your business**
- **Regular updates from Minnesota Power**

Participating Contractor Network- Lookup Tool

We made some changes to our Contractor Lookup Tool to improve customer experience!

- Added “**Request Quote**” function for less.. outgoing customers.
- Added a new “**Rebate Received**” Badge
 - Badge is applied to businesses that have submitted an approved rebate in the past 18 months.
- Added titles to MNGHPA Master Installers
- Added an easier way to make updates to your Company Profile
 - New online form created to notify MP of any needed changes.



Participating Contractor Network- HVAC Portal

We continue to update our HVAC Contractor Portal to make it as helpful as possible to your business.

- Simplified rebate summaries for Residential and Commercial
- Electronic Rebate Applications
- Printable Rebate Applications
- Contractor Resources include:
 - 25C Tax Credit Information
 - Recorded trainings
 - Process documents
 - Cooperative Advertising forms

One more thing- Updated Discount Heating Rates

COMPARE	DUAL FUEL STANDARD	DUAL FUEL PLUS
RATE	\$0.06916/kWh Service Charge: \$6.00/\$16.00	\$0.04703/kWh Service Charge: \$6.00/\$16.00
SAVINGS <small>Compared to Standard Residential Rate \$0.09403/kWh</small>	-\$0.02487/kWh	-\$0.047/kWh
INTERRUPTIONS	<ul style="list-style-type: none"> • Can be interrupted two times per day up to four hours at a time. • Minimum two hours between any interruptions. • Maximum annual hours: 300 	<ul style="list-style-type: none"> • Can be interrupted up to 20 hours per day. • Minimum two hours between any interruptions. • Maximum annual hours: 1,000
ONLY FOR ELECTRIC HEAT?	No	Yes
OVERVIEW	Flexible discounted rate that can be utilized for more than just electric heat.	Lowest cost way to electrically heat your home with appropriate heating and cooling system
BEST FIT FOR	Heating systems without automatic non-electric backup <ul style="list-style-type: none"> • Storage/Slab • Wood Heat • Fireplaces • Electric Vehicles • Water Heaters • Garages 	Heating systems with automatic non-electric backup

- **New rates effective October 1st 2023**
- **NEW Season Heat Pump Add-On**
 - Winter= Discount with Interruptions
 - Summer= No Discount or Interruption
- **Currently don't support sub-metering**
 - Are assessing options for the future
- **Commercial Rate Similar**
 - NO DEMAND CHARGES!
- **Fixed Off-Peak** (formerly Controlled Access)
 - Reduced energy charge \$0.04703/kWh



Keep an eye out for our annual contractor satisfaction survey. We want to hear your feedback on how to improve our programs!

Thank you

Electric Vehicles

Dedicated Team to support both Residential and Commercial Customers.

Residential Rebates and discounted rates available.

Commercial discounted EV rate available.

Minnesota Power is engaging with key stakeholders

- First responders, Electricians, Dealerships, etc.

Minnesota Powers DCFC Expansion Project

- Installing 16 DC Fast Chargers across our territory.

We are happy to meet with any business interested in information or planning assistance!

