



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King, Jr. Boulevard ♦ Saint Paul, MN 55155

March 23, 2009

Mr. Steven Chu, Secretary
United States Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

RE: State Energy Program Assurance

Dear Secretary Chu,

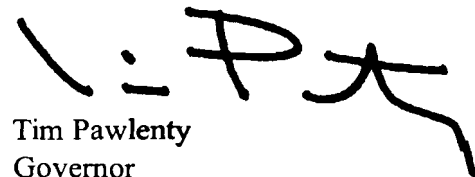
Please find enclosed Minnesota's signed "Governor's Assurance Certification" as required by the guidance set forth by USDOE in Funding Opportunity Announcement (FOA) DE-FOA-0000052 for State Energy Program Formula Grants.

This signed document is a condition of receiving our State's share of the \$3.1 billion funding for the State Energy Program (SEP) under the American Recovery and Renewal Act of 2009. I am providing the assurances set forth in the enclosed "Attachment 3" document provided by your office.

We are prioritizing our energy investments to take advantage of existing programs and expand programs where appropriate. Our State is committed to a robust improvement in energy efficiency and renewable energy, as well as a balanced State energy policy. I want to assure you that, within the limits of my authority, we will move forward in these critical areas.

We look forward to immediate distribution of the federal SEP funds to permit my State to make progress in energy efficiency and renewable energy.

Respectfully submitted,


Tim Pawlenty
Governor

By email

ATTACHMENT 3 -- GOVERNOR'S ASSURANCE

By signing below, the State Governor is providing their written notification that they will comply with and obtain the following assurances in accordance with Section 410 of the Recovery Act.

(1) The applicable State regulatory authority will seek to implement, in appropriate proceedings for each electric and gas utility, under its rate-making authority a general policy that ensures that utility financial incentives are aligned with helping their customers use energy more efficiently and that provide timely cost recovery and a timely earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings, in a way that sustains or enhances utility customers' incentives to use energy more efficiently.

(2) The State, or the applicable units of local government that have authority to adopt building codes, will implement the following:

(A) A residential building energy code (or codes) that meets or exceeds the most recent International Energy Conservation Code, or achieves equivalent or greater energy savings.

(B) A commercial building energy code (or codes) throughout the State that meets or exceeds the ANSI/ASHRAE/IESNA Standard 90.1-2007, or achieves equivalent or greater energy savings.

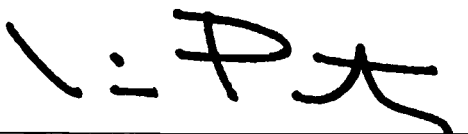
(C) A plan to achieve 90 percent compliance with the above energy codes within eight years. This plan will include active training and enforcement programs and annual measurement of the rate of compliance.

(3) The State will to the extent practicable prioritize the grants toward funding energy efficiency and renewable energy programs, including—

(A) the expansion of existing energy efficiency programs approved by the State or the appropriate regulatory authority, including energy efficiency retrofits of buildings and industrial facilities, that are funded by the State or through rates under the oversight of the applicable regulatory authority, to the extent applicable;

(B) the expansion of existing programs, approved by the State or the appropriate regulatory authority, to support renewable energy projects and deployment activities, including programs operated by entities which have the authority and capability to manage and distribute grants, loans, performance incentives, and other forms of financial assistance; and

(C) cooperation and joint activities between States to advance more efficient and effective use of this funding to support the priorities described in this section.



Minnesota Governor Tim Pawlenty **4**

March 23, 2009

Date