

From: [John Purdy](#)
To: [Jay Willms](#)
Cc: [Rebecca Noecker](#); [Anika Bowie](#); [Saura Jost](#); [Molly Coleman](#); [Hwa Jeong Kim](#); [Nelsie Yang](#); [Cheniqua Johnson](#); [Arend, Christopher A](#); bria.e.shea@xcelenergy.com; [Nicole Tillander](#); [*CI-StPaul CityClerk](#)
Subject: ORD 26-40 and 26-43 Natural Gas Franchise Argeement
Date: Thursday, September 17, 2026 10:32:15 AM
Attachments: [Version 2 Purdy attachment to ORD 26-40 - St Paul Legacy Apartments single gas meter central heating systems.xlsx](#)

Jay Willms, Director of City Council Operations
Saint Paul City Council
Saint Paul City Hall
15 W Kellogg Blvd
Saint Paul, MN 55102

Dear Mr. Willms,

During the public hearing yesterday I presented a version 2 listing of the residential apartment buildings that will be affected by the fee differential under the proposed Franchise Agreement. Please find an electronic copy below for your review.

The source was taken from the Minnesota Department of Labor and Industry Boiler and Pressure Vessel (BPV) Dataset which is available here: https://secure.doli.state.mn.us/ccld/data/bpvsnapshot_csv.zip

My work experience as a State Boiler Inspector allowed me to visit many of these buildings. My present job as a boiler operator for a 7-unit Legacy Apartment building in Minneapolis also gives me insight as to the impact of the proposed agreement on these residents.

This version 2 listing was parsed down to eliminate all BPV objects other than those apartment buildings located within St. Paul that are supplied with natural gas through a single gas meter for the purpose of centrally heating the building and its residents.

To this list was added the Tax and Land Use Classifications for each building. They can be found at the Ramsey County Tax Information Database for each address, available through [Map Ramsey](#).

As you can see, many of the 316 apartment buildings are dwelling places for low income residents. Some buildings provide emergency shelter for those without their own roof.

As one of the six people who worked diligently to create this franchise agreement I urge you to reconsider and to present the City Council with a 2nd Version Amendment for a Franchise Agreement that could remedy this inequity.

My suggested amendment could be improved upon by requiring Xcel to link these Tax and Land Use Classifications with the proposed franchise fee rate levels.

The link would then tie 4D1 - Low Income Rental Units to the residential franchise fee rate of 6.7%, minus the 50% LIHEAP discount, for a total effective rate of 3.55% for these customers.

The link would also tie all 1A, 2A, 3A and 4A Apartment Units to the straight up residential franchise fee of 6.7%.

This methodology would finally break the outdated connection now being made between Xcel's commodity rate structure (set by MNPUC) and the franchise fee rate structure that the City of Saint Paul wishes to set for the collection of their Franchise Fee.

The City then would have full control over their destiny and their legacy for treating its residents to a fair deal.

Mr. Christopher Arend, Senior Manager for Tax Services with Xcel Energy, could possibly help you with this suggestion.

I too am at your service and please be notified that I do not own any real estate other than my own home. My purpose is the same as yours, which is to achieve equity for low-income residents.

While some are of the opinion that this will only benefit the property owner, the correct position is that these building owners would gladly transfer the natural gas costs over to their residents but the HVAC cost involved in decommissioning the central heating systems are prohibitive.

These owners do their best to provide economical rentals that include the cost of heating. When events such as the 2021 Winter Storm Uri come along, the owner absorbs the cost of the Pricing Event Surcharge that is still being applied to Xcel bills.

While some energy costs are passed along in the form of increased rentals, these owners are aware of their role in providing low-income, price sensitive rental rates.

I wish to thank you, your team members and the City Council for working towards an equitable solution that will remain with us until 2036.

Sincerely,

John Purdy
10 W Delos St
St Paul, MN 55107
612-804-5019

Note to Nicolle Tillander, City Clerk of Saint Paul: Can you kindly post this version 2 listing to the Legistar record for ORD 26-40 and 26-42? I would appreciate that it would be in a format as presented to the Council yesterday so that all fields are viewable across the page. I would also appreciate that the above email be posted. Thank you.