

Energy Audit Explained

Overview

The Minnesota Property Assessed Clean Energy (MinnPACE) program—administered by the Saint Paul Port Authority—provides financing for energy efficiency upgrades, renewable energy, and resiliency improvements on commercial, agricultural, and nonprofit properties. To qualify, projects must include a certified Energy Audit or Renewable Energy Feasibility Study that demonstrates the proposed improvements will save energy or reduce greenhouse gas emissions.

Why You Need an Energy Audit

An Energy Audit is required by state law for all MinnPACE projects to confirm that the proposed improvements will deliver measurable, cost-effective energy savings. The audit determines anticipated energy savings or emissions reductions from the planned upgrades, helping ensure responsible use of PACE financing.

What Is an Energy Audit

An Energy Audit is a professional assessment of a building's current energy use conducted by a qualified energy auditor. The audit identifies inefficiencies and opportunities for upgrades, estimating the potential energy and cost savings from C-PACE-eligible measures. For new construction or major renovations, auditors may establish a baseline using comparable buildings or applicable building codes (ANSI/ASHRAE/IES Standard 90.1-2019).

Qualified professionals include:

- Certified energy auditors
- Licensed mechanical engineers
- Certified Energy Managers (CEM)

- Utility companies or third-party consultants experienced in commercial energy analysis

Audit Scope and Requirements

Energy audits must evaluate all proposed C-PACE measures. Typical areas of review include:

- HVAC upgrades
- Lighting retrofits
- Building envelope improvements
- Renewable energy systems
- Water conservation technologies

Each audit should:

- Identify qualifying energy efficiency and renewable energy improvements
- Model energy savings and quantify annual energy savings (in units and dollars)
Calculate the simple payback period and estimate the Effective Useful Life (EUL) of each measure
- Estimate avoided greenhouse gas emissions

Applicable Code Energy studies should use the latest Minnesota Commercial Energy Code and comply with ANSI/ASHRAE/IES Standard 90.1-2019. ASHRAE Level I–III energy audits are accepted.

Cost of an Energy Audit

Typical cost range: \$0–\$10,000+, depending on the project's size and complexity.

Good news: The cost of an energy audit can be included as a soft cost in your C-PACE financing, meaning you can reimburse yourself for out-of-pocket expenses through the loan proceeds.

Energy Study Providers Familiar with C-PACE

Below are firms and organizations experienced in conducting energy audits for MinnPACE projects. (This list is provided as a resource only and does not constitute endorsement by MinnPACE.)

Provider	Description / Specialty	Website
EnerChange	Nonprofit energy assessments and implementation support	enerchange.org
Franklin Energy	Comprehensive energy consulting and program management	franklinenergy.com
G-Energy LLC	Energy audits, engineering, and feasibility studies	g-energy.com
Xcel Energy	Utility rebates and business energy assessments	xcelenergy.com
MN RETAP	Energy audits for nonprofits and public entities	state.mn.us
Energy Guy	Independent energy auditing and building optimization	energyguy.com
Asset Environments	Energy engineering and system design	assetenvironments.com
Center for Energy and Environment (MN CEE)	Community energy consulting and technical support	mncee.org
MN Chamber of Commerce	Energy efficiency resources for small businesses	