

Business Item

Transportation Committee



Committee Meeting Date: January 26, 2026

For the Metropolitan Council: February 11, 2026

Business Item: 2026-2

2026 Xcel Energy Metropass License Renewal

District(s), Member(s): All

Policy/Legal Reference: Income/Grants Policy FM 15-1

Staff Prepared/Presented:
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Division/Department: Metro Transit

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to:

- Enter into and execute a new 5-year Metropass Agreement with Xcel Energy with a renewal period of January 1, 2026 – 2031 to provide Metropass to eligible employees. Potential revenue for the term of this agreement is estimated at \$2.2M.

Background

The Metropolitan Council (via. Metro Transit) partners with various organizations throughout the Metropolitan Region to provide Metropasses to their eligible employees. The Metropass program provides unlimited ride passes to riders as a pre-tax benefit. The pass is valid for unlimited rides on all regional bus and light rail. As of December 2025, the Metropass program has 300 active customers with an estimated total of 9,000 active passes in the program.

We estimate that Xcel Energy's Metropass renewal agreement could meet or exceed the threshold of \$2,000,000 in revenue per Income/Grants Policy FM-15-1. Please note this is an estimate as Metropass is billed monthly based on the number of active participants at the organization. Xcel Energy has an estimated 460 monthly pass holders with an annual revenue estimated at \$458,000.

We anticipate Xcel Energy's Metropass renewal agreement to be approximately \$2.2M over the 5-year term.

Rationale

Council Policy FM 15-1 requires Council approval on income agreements exceeding \$2,000,000.

Xcel Energy's Metropass renewal agreement is anticipated to provide an estimated revenue of \$2.2M over the 5-year term of their agreements.

Thrive Lens Analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the Metropass agreement with these employers and others throughout the region provides transit options for their employees and contributes to the Thrive outcomes of Equity and Prosperity. This program proving unlimited transit rides as an option, helps reduce single occupancy vehicles and may be a transit benefit for those employees who might not otherwise be able to commute to and from work.

Funding

These are revenue contracts; no funding is required. Revenue contract revenue will be included in the annual Metro Transit Operating Budget.

Small Business Inclusion

These are revenue pass agreements for Bus, Light Rail and Commuter Rail Operations.

