



City of Ann Arbor

Formal Minutes

Energy Commission

100 N. Fifth Avenue
Ann Arbor, MI 48104
<http://a2gov.legistar.com/Calendar.aspx>

Tuesday, June 8, 2010

5:30 PM 220 N. Main St., Administration Building Board Room

CALL TO ORDER

Commissioner Appleyard called the meeting to order at 5:30pm.

ROLL CALL

Present: 8 - Charles Hookham, Wayne Appleyard, Jason Bing, David A. Wright, Joshua Long, Diane Kurz, Kenneth J. Wadland, and Brigit Macomber

Absent: 4 - Michael Delaney, John Hieftje, Stephen S. Miller, and Fulter Hong

APPROVAL OF AGENDA

Comm. Appleyard: Add the resolution concerning joint commission coordination.

Moved by Comm. Wright, seconded by Comm. Wadland, and passed unanimously on a voice vote.

APPROVAL OF MINUTES

Comm. Wright: Would like to make one change: top of page 4 I raised issue of CO2 emissions. I would like the word "converting" added right after parenthesis and before the word "from". Also, I have been attempting to contact Ethan regarding emissions calculations (during his geothermal presentation last month), so if someone can find him I would like to resolve my questions.

Energy Commission Meeting Minutes for May 11, 2010

May minutes were approved unanimously on a voice vote.

PUBLIC INPUT

There was no public input.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSION MEMBERS

Andrew Brix: I was able to attend a regional meeting in Raleigh for LED Cities and share our streetlight experience. Assistant City Manager in Raleigh is finding projects where staff is self-initiating (not going to the energy point person first) for LED lighting projects – really becoming ingrained. We are soon to complete contracts for other types of LEDs such as 250 streetlights, and high bay and outdoor applications from the state EECBG grant. We are starting to see standards and independent testing on LEDs, as the industry matures, so we don't have to self-test as much.

Events coming up: Mayor's Green Fair is this Friday from 6-9 PM on Main Street. Need commissioners to volunteer (Commissioner Wright and Appleyard volunteer).

There was a recent piece in AnnArbor.com about the mayoral campaign referencing the Farmers Market solar panels that stirred up some comments. I spoke with a reporter there and got comments in for the article and there may be a follow-up piece with more detail on the subject. We have had disagreements with DTE about contract language for their standard net metering and indemnification. Despite these disagreements being unresolved, we are generating electricity at the Market, the panels are connected to the grid, and we are receiving credit for the electricity. We saw a 23% decrease in use the first year the panels were in, which was not even a full year.

Comm. Appleyard: Was the problem with indemnification language brought up by our lawyers?

Andrew Brix: Our lawyers had an issue with DTE's standard contract on net metering.

Comm. Appleyard: So if a homeowner were trying to do net metering they would not face this issue?

Andrew Brix: No, it is specific to governmental immunity, not a problem with DTE's net metering program.

Michigan Energy Fair (put on by the Great Lakes Renewable Energy Association) will be June 25-27th at Rock Financial Showplace in Novi. We are working on helping with a tour of the Market and Fire Station on Saturday. I will be giving two presentations on Saturday, about the PACE program and the Ann Arbor Solar Plan.

Comm. Bing: I am presenting at the Fair. Also, there is a LEED homes tour (sponsored in part by the Ecology Center and local USGBC chapter. This Saturday and Sunday, it's a free tour, and the event searchable online as "Green Buildings for Cool Cities" tour or Website: www.greenhometourmi.org).

COMMUNITY UPDATES ON ENERGY

Area Height and Placement Amendments - Jeff Kahan

Detailed presentation materials and content available at:
<http://www.a2gov.org/government/communityservices/planninganddevelopment/planning/Pages/AreaHgtPlacement.aspx>

Comm. Long: Can you talk about land use changes? Where is the new single-family district that is proposed going to be?

Jeff Kahan: Could be used to substitute for a townhouse district, but the city does not have areas carved out specifically for the new district.

Comm. Long: Do you know what percentage of land is single family in the City?

Jeff Kahan: Around 40%.

Comm. Long: How flexible are you looking to be in single-family areas, given it is a touchy topic?

Jeff Kahan: We believe that there won't be major changes in existing single-family districts and that the "ripest fruit" is in the commercial districts, where revisions are really needed. In the past we have looked at modifying how we deal with accessory dwelling units, and this was very controversial and so we are a little gun-shy.

Comm. Long: I would just comment in support of accessory dwelling units, that you not give up on this kind of diversified housing.

Comm. Bing: One of the ideas that came up when we were talking about the Calthorpe Master Plan was overlaying the City's energy capacity with DTE and our proposed building density – have we continued that conversation?

Andrew Brix: We have continued to work with DTE every to get loading figures, but there hasn't been much actual new development proposed recently.

Jeff Kahan: This effort is a different effort then A2D2 with Calthorpe, just to be clear. In addition to energy capacity we have worked with the City's own engineers and are assured that water and sanitary infrastructure will be accommodated.

Comm. Wadland: Has the issue arisen where this greater densification will impact the ability for solar installations?

Jeff Kahan: This is an issue Commissioner Wright brought up at the Environmental Commission so I did some research and learned that most of the shading effects deal with downtown areas. I was not able to find anything on buildings that are 4-stories or less, which is really what we are talking about. Whenever commercial abuts residential we will be requiring a side and rear setback in addition to setbacks for buildings exceeding 30 feet in height. This would minimize impacts to solar capture by adjacent residents. I believe there will be energy efficiency gains with new development associated with these changes, on a per-square-foot basis.

Comm. Long: What work has been done to ensure that there will be high quality design of the buildings with these reduced setbacks, things like

design guidelines?

Jeff Kahan: Yes we have explored the concept. Planning Commission expressed that design guidelines should be tackled in a separate effort. We recently consolidated our area plans into one master plan. The next step is looking at corridors and design guidelines city-wide.

Comm. Long: Have you thought about community garden space set-asides?

Jeff Kahan: Short answer is no, but I think it is a good idea to look at the quality of open spaces not just the quantity, which is what we have done historically.

Comm. Long: How does floor area ratio (FAR) affect those minimum requirements for open space?

Jeff Kahan: They don't. The FAR changes only impact multi-family and townhouse districts. We are not proposing to change how we measure density, which is by dwelling units per acre.

Comm. Bing: If there is a coming discussion of design guidelines it would be helpful if we are made aware as we could have comments and ideas to contribute.

Comm. Macomber: Has this presentation been given to the Parks Commission? One of the concerns expressed there is that there are not enough green spaces downtown, and that bringing buildings closer to the sidewalk could reduce livability downtown by reducing even small green spaces, though I appreciate why the increase in density is being proposed.

Jeff Kahan: I again want to point out that these proposals are not for downtown or in the DDA district.

The PROS Plan (Parks, Recreation, and Open Space) is being taken up right now. I believe the sections of code dealing with the downtown address this best. I know the PROS Plan and Parks staff is looking at this issue.

Comm. Long: Has there been any talk of re-designating or creating actual new zoning districts?

Jeff Kahan: Not at this time, but we do feel that these proposals will result in redevelopment. The Master Plan process is the appropriate place to revisit land use. We really want to get into corridors in the next phase, which to this point have been an afterthought. These areas are where the activity will be in the next 100 years. (See web link at start of section for more information).

Ann Arbor Solar Plan - Andrew Brix

Andrew Brix: The Plan continues to be on the website for those who have not read it yet. Go to www.a2gov.org/energy and click on Solar America Cities. The Plan is sort of the keystone of the Solar

Cities work. It started with local market research; focus groups were held with builders, homeowners, and successful policy representatives; also includes best practices. The broad benefits are environmental and public health related (emissions reductions). Jobs are created. The

energy is local and non-reliant of the grid or foreign sources. Economic benefits are local and the energy is more reliable since it is less controlled from an outside entity.

Barriers identified were: regulations and permitting (not as big an issue in Ann Arbor). Historic district issues are the trickiest issue we face on this front. Costs and financing upfront costs has long been a barrier to solar and one we have talked about often. Siting and aesthetic concerns are also addressed as barriers as is the lack of knowledge, even if the money is there.

The Plan gives a short blurb from each of the many best practices. For instance, Colorado's net metering is highlighted. They offer up to 120% of the customers average annual consumption. Any net excess electricity is carried forward. Massachusetts allows neighborhood net metering, so you don't have to be onsite all the time. Financial best practices, as well as training/education best practices are highlighted, as is outreach and marketing.

The first recommendation in the Plan is a process item of committing to an implementation process. What is the solar steering committee? How do we keep working now that the grant is finished?

The second recommendation concerns design of municipal solar financial incentives (PACE being chief among suggestions). Another recommendation is simplifying solar permitting. I still get phone calls about what forms must be pulled to put in solar. Some communities have a separate permit, independent of electric permit, which can simplify things. We also need to advocate for state-level policy change for those things which we cannot directly enable locally. Internally, integrating solar into City infrastructure and culture will be necessary. Just like Raleigh's decision-making is automatic with LEDs (and we are nearly), so should solar become better integrated. We need our crews comfortable to not hire out for work. Solar access laws and code considerations are mentioned in the Plan. Over the next few years, the outreach staffer will work on outreach for solar as part of our broader campaign, which is suggested in the Solar Plan. Supporting solar workforce and green jobs is the final recommendation laid out in the Plan.

The Plan also contains information on what has been going on at the state and national levels with solar, an overview of technologies, and resources and incentives information for people interested in how to install and pay for systems.

Comm. Wright: Would like to hear more on the background leading up to the Plan. "Ann Arbor applied for and was designated a Solar City..." can you take over from that point?

Andrew Brix: The Solar Cities grant program was largely framed as a planning activity. Thirteen initial cities (of which Ann Arbor was one) and

ultimately twelve more were designated in the hopes of identifying barriers to solar via a representative sample. Lots could be done at the government level, it was believed. The original idea was we may hit grid parity with solar by 2015 if it is adopted in more places successfully. All the work we did and are doing is to be fed out to other cities.

Comm. Wright: So we received a grant to develop a Plan and start the implementation, and that was on the order of?

Andrew Brix: The grant was for \$200,000 in cash, \$200,000 in technical assistance, and we came up with another \$200,000 in local matching funds from a wide array of partners (Unisolar, Hands-On Museum, and AADL to name a few).

Comm. Long: What was represented by the technical assistance money?

Andrew Brix: We performed solar feasibility at city facilities (Commissioner Bing was involved with those). We will also be re-commissioning solar installations up now at the Farmer's Market, Leslie Science Center, and Fire Station 1, to see how those systems have held up over time and how they are performing now. Also trying to use some of this support for how we can incorporate solar into emergency preparedness and management. Budget changes have shifted this program some causing delays in the technical assistance.

Comm. Long: So it was separate from the Plan and did not really inform the recommendations?

Andrew Brix: Yes. Clean Energy Coalition was the consultant that ran the focus groups, did the literature review, etc.

Comm. Macomber: Is there information on the website of a summary like what you just provided?

Andrew Brix: There is (or will be) a link to the Executive Summary and the one page recommendations summaries.

Comm. Hookham: Where do we stand with the budget – how much is spent versus what remains?

Andrew Brix: DOE money is about 90% spent at this point. We have one last matching fund program to do. Likely it will be a shade and PV structure out at Veteran's Pool, if all goes well. It will be visible from the road and provide a benefit to the pool. This will be done with our own money.

Comm. Macomber: Is there more grant money for this on-hand or coming in?

Andrew Brix: Not through Solar Cities at this point. We are actively looking for money to support the PACE program. The Xseed program is another one where we are looking for funds, and may be a topic for a future presentation. This is community supported solar paid for by non-profits or any entity or person who wants to contribute to a project, especially if they themselves cannot do it themselves. There is a new EPA Climate Showcase Communities grant that might help this as well as the EECBG person. I don't know at this point that there will be more DOE money for Solar Cities.

Comm. Appleyard: It has always been my opinion that the problem with this program was it could not fund actual projects.

Comm. Wadland: You mentioned green jobs and training as being part of the Plan, what specifically is involved with that?

Andrew Brix: There are recommendations on working with local community colleges, with IBEW and Detroit Electrical Apprentice Training Center, working with GLREA who currently has apprenticeship and certification programs, and with U of M.

Comm. Wadland: Our local electricians union has a PV training program as part of their journeyman apprenticeship program, which could also be listed. That is Local 252.

Comm. Macomber: Can you describe how the Plan relates to an average Ann Arbor homeowner – would the new coordinator hire be a resource for people?

Andrew Brix: The idea is that as a homeowner is considering putting up solar, this community energy coordinator is available to answer questions, manage the PACE program, give presentations at neighborhood association meetings (this person is paid through the EECBG funds for two years initially, with PACE hopefully providing ongoing funding).

Resolution to Endorse the Ann Arbor Solar Plan

The resolution was approved unanimously on a voice vote.

JOINT COMMISSION COORDINATION TOWARD A SUSTAINABLE ANN ARBOR RESOLUTION

Discussion:

Comm. Wadland: On email today I noticed that the Mayor had asked for an amendment – has that been considered? (Andrew Brix confirms as being in second to last Resolved statement)

Comm. Hookham: The resolution says that the Chairs of the commissions shall make themselves available for joint coordination. What about commission members?

Comm. Appleyard: If members wanted to take part in discussions as they happen, I don't think Chairs would preclude that.

The resolution was approved unanimously on a voice vote.

SUBCOMMITTEE DISCUSSIONS

Energy Production

Comm. Wadland: Met on June 3rd for first time. Commissioners include Wayne Appleyard, Steve Miller, Chuck Hookham, Fulter Hong, and myself, from the energy commission. Mike Flynn and Nate Ayers from the community also joined. Thanks to Google and Comm. Hong for the space. Next meeting will be July 6th, likely at City Hall. We had a wide-ranging discussion, mostly to get our individual ideas out. Next meeting we will focus on exact projects to choose. Would like to foster installations downtown, say a large demonstration, but also want to find ways to assist residents.

Community Education and Outreach

Comm. Kurz: We will meet the fourth Monday of the month at 5:15 PM at City Hall. Right now there are three commissioners on this subcommittee: myself, Josh Long, and Brigit Macomber. We are trying to figure out the composition of the citizen participants. Right now members are Kim Wolske, Jane Vogel, Mike Flynn, Dan Cooney, and Lisa Dugdale, among others (including Steve Nose). We came away thinking we need to focus on home energy use and the residents of Ann Arbor. Brigit will mention some meetings she has had subsequent to the subcommittee gathering. I am working with Kim Wolske to generisize the booklet she worked on for her dissertation and presented to the Commission in March, so that it will be more widely available to residents. Another task we are thinking about is interest in pulling together the various groups already working on energy (starting with inventorying who they are). As PACE and Michigan SAVES progresses we will assist other groups.

Comm. Macomber: I met with Andrew regarding the website and our posting of materials. Though the system is fixed, we can add to it as we wish. After determining who we want to reach, what message do we want to communicate, and what will our goals be? Also, how do we measure whether we meet our goals?

Comm. Kurz: We also want to determine what things are doable by

year-end. Also, we on the commission would be remiss if we did not comment on the tragedy in the Gulf and what that means in terms of how we use energy. Oil may not be the way we heat our homes, but it's an issue for our transportation energy use. This is a moment to really think seriously how we as individuals view our energy use and the resources on Earth to live sustainably.

Comm. Bing: We have information coming in daily from our 100 energy audits. Now we are breaking out the most recommended low to no cost solutions, also separating based on budget and payback needs stated by participants. We will pass on this information to your subcommittee. Prior to going out on site we collected a lot of survey information that will be really helpful. We found that around 80% of homeowners have installed programmable thermostats, but most all pamphlets you find on home energy efficiency still devote space to this, actually as the number one measure. Really the issue is how you program your programmable thermostat. We should try to avoid re-printing the same 8-10 recommendations that appear in available materials on home energy use. I am happy to present an overview of our data in August or September.

Comm. Kurz: We do need to talk about any materials that have the "stamp" of the Commission or Energy Office, and what the approval process will be.

Comm. Macomber: We have been thinking for materials that it would be good to include stories of people who have actually done these updates from the audits. I wonder if we can hook up with those participants if they give permission.

Finance and Facilitation

Comm. Appleyard: We have met twice so far. We're currently working on three projects, PACE being one. We have learned that Fannie Mae and Freddie Mac are not accepting loans with primary liens from PACE deals. Several Senators are protesting and we may want to take the chance too.

Andrew Brix: DOE has actually written a statement saying this has to be resolved, as part of the Recovery Act was advocating PACE since it is very beneficial. The Letter is dated May 24th.

Comm. Appleyard: Unfortunately, it looks like we have won't get our state enabling legislation through in this session, because it is an election year. There is talk of using the Michigan SAVES as a replacement, but there are concerns given the interest rates we have seen so far. We may need to look at other measures to do this.

Andrew Brix: The staff steering committee on PACE came up with a couple alternatives. One idea was using Michigan SAVES to create a separate pool of money for renewables only. The other idea was to work

with a local lending institution and release a request for proposals asking what they would do to improve the attractiveness of loans to Ann Arbor residents for things like solar. Banks haven't really jumped out of their seats yet when we proposed such an idea, though none are opposed. We also talked about something as simple as a direct revolving loan fund for residents, using Block Grant money, though this wouldn't leverage as many dollars as the other programs.

Comm. Wright: Is there no chance for legislation in the state Senate, so that once this issue with Freddie Mac and Fanny Mae is fixed we can move forward?

Andrew Brix: I will continue to make the argument that we need the enabling legislation passed so once it is resolved, we are poised and ready. There will likely be a huge turnover in Lansing in the Fall.

Comm. Appleyard: This is a no brainer. It is not costing any money from the state; it's a completely voluntary program to help people out.

Comm. Wadland: Is it appropriate to do a letter-writing/email campaign, and if so who would be contacted?

Andrew Brix: Republican state senators are the ones needing convincing. A committee (Local, Urban, and State Affairs) chaired by Jerry Van Woerkom is set to take it up, but they don't want to waste time on something that won't be taken up on the Senate floor.

Comm. Appleyard: Our second area for this Subcommittee is audits at time of marketing (TOM). We have reviewed where these programs exist. We are looking for a streamlined approach that doesn't slow the real estate market. Probably would be a two-page form on the website that could be filled out by home-seller or home inspector. Would result in a standardized report showing how the home compares with some established parameters of performance for average houses of the same age and size. Website would also kick out some recommended improvements. This would improve our database of home performance and be another avenue for education. Next step is to sit down with realtors and stakeholders to relay the advantages and show it won't be detrimental to their efforts.

Third item we are looking at is reviving the weatherization ordinance.

Andrew Brix: Two interns at the Office of Community Development are interested in weatherization and student housing. I was going to suggest they attend the next meeting of this subcommittee.

Comm. Appleyard: The existing ordinance says rental housing must be inspected every thirty months, and as part of this it states that all rental housing should include caulking (needs tweaking), attic insulation

(supposed to have R-30). As it comes together we will go to City Council for a resolution.

REVIEW AND APPROVAL OF OUTREACH MATERIALS

Comm. Kurz: Can we move this item to next month, and higher on the agenda? What has the process been in the past for materials?

Andrew Brix: Energy Office staff typically prepares and approves materials, but Commissioners have taken it upon themselves to also generate materials for events like Green Fair. It is only with larger campaigns and messages that we need to be coordinating with the Communications division of the City. Website changes just have to go through me.

PUBLIC INPUT

Scott Phillips: I am working on the marketing of Michigan SAVES, with the MPSC and Public Service Consultants, and Deb Power in Ann Arbor. I would be happy to give an update to the Finance committee at some point.

ITEMS FOR NEXT AGENDA

Comm. Wright: I suggest, given Commissioner Kurz's comments about the BP Gulf disaster, and given that May was Commuter Challenge Month, that we have getDowntown come in next month and share results of how much transportation fuel we reduced last month in Ann Arbor. I also wonder what organizing is going on nationally that Ann Arbor or the Energy Commission could join regarding getting our transportation energy in particular more sustainable, or efforts more directly related to the Gulf spill. This could replace or be in addition to my discussion on solar insolation.

ADJOURN

Motioned by Comm. Long and seconded by Comm. Wright. Meeting adjourned at 7:44 pm.

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