



# City of Ann Arbor

## Formal Minutes

### Energy Commission

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

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Tuesday, July 13, 2010

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

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#### CALL TO ORDER

Comm. Appleyard called the meeting to order at 5:34pm.

#### ROLL CALL

**Staff:** Andrew Brix, Nate Geisler

**Present:** 8 - Wayne Appleyard, John Hieftje, Stephen S. Miller, Joshua Long, Fulter Hong, Diane Kurz, Kenneth J. Wadland, and Brigit Macomber

**Absent:** 4 - Charles Hookham, Jason Bing, David A. Wright, and Michael Delaney

#### APPROVAL OF AGENDA

Approved unanimously on a voice vote.

#### APPROVAL OF MINUTES

Energy Commission June 2010 Minutes

Moved by Comm. Wadland, seconded by Comm. Kurz and 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:** We have received a \$50,000 grant from MDNRE to do climate planning, including work with a select neighborhood using energy use monitors to track usage over several months and obtain data. We will also use a UM team to examine carbon neutrality and what it would cost and look like. The EPA Climate Showcase Communities grant is approaching submission time and the Energy Office is putting in a two-sided proposal to explore the Time of Marketing energy audit idea

and deeper outreach for ongoing neighborhood involvement on retrofits and sustainability projects (including possible evaluation of three or more methods for how to actually engage residents). The grant was very competitive last year.

Comm. Kurz: Is the \$50,000 grant annual or total?

Andrew Brix: Total award over two years.

Comm. Kurz: Can you speak more to the residential pilots in the EPA grant?

Andrew Brix: One approach may be a neighborhood sweep program where you go door to door to take care of straight forward things then and there. Another approach is like an “energy barn raising” to share knowledge. Low-carbon diet is another idea.

Also, there was a question from Comm. Miller about the WWTP project rebuild and whether a bio-digester was considered – it was. It is a cramped site, which was a major obstacle. Two sides of the site border residential and it crosses three jurisdictional lines, so expansion is difficult.

Part of this year’s fiscal year is de-energizing 17% of streetlights in the City to save \$120,000 annually. Not been met with widespread excitement. We have piloted a neighborhood with DTE to make sure the right lights go out and evaluate how things look on the ground. Altogether it is about 1,250 streetlights city-wide. We want to get to LEDs in the long run, but need the upfront capital for them.

Comm. Wadland: How much does it cost to turn off the lights?

Andrew Brix: It is DTE’s responsibility. Their contractor does work in the fixture, leaves a tag and a yellow banner on pole stating that light is intentionally shut-off. It includes City contact info.

Comm. Wadland: What then is the long-range plan? Will they go back on at some point?

Andrew Brix: That is the hope, eventually. Each year City Council will de their budget. If we found ways to convert these lights to LED we would go that way.

Comm. Appleyard: I hope there would be a survey before turning the lights back on to see if people want them back on.

Andrew Brix: We have heard from residents on both sides. Some want their lights off. I have explained that intersection lights will stay on.

Ken Wadland: What is the criteria for shut-offs, and can people call in to request de-energizing?

Andrew Brix: We are not accepting requests. A national best practices handbook guides our basic spacing requirement of 190 feet. Quite a few lights are closer than that. Lighting was installed by developers or on behalf of developers in the past without the city having as much say at the time, or knowledge of future costs.

A 100% solar-powered plane in Germany flew for 26 hours, the longest such flight on record.

### COMMUNITY UPDATES ON ENERGY

getDowntown Commuter Challenge - Nancy Shore

Many people's energy consumption is tied to how they get to work. Our organization was founded in 1999, through the DDA, Chamber, AATA and the City. Our goal is to increase share of sustainable transportation. The Commuter Challenge began in 2005. There is an online logging element that tracks CO2 avoided, sustainable miles logged, and related statistics about people's logged commutes. It gives people a whole month with incentives to participate. We are trying to show benefits to people, not make them feel guilty. We have green commute day, which launched the Challenge month this year, and asked that employees submit photos of commutes. We also have events like Bike to Work and Walk to Work days. Participation has increased every year of the Commuter Challenge. This year we had 164 organizations. We track how many people made at least one sustainable commute (nearly 2,000 in May). We also count total commutes (20,522), which equaled the same number if every parking spot in the City was occupied continuously for 5 days. About 35% of participants drive alone. We had about 279,000 lbs of CO2 avoided. Mileage of commutes equals 13 trips around the world. The carbon emissions avoided equal more than 14,000 gallons of fuel, nearly 300 barrels of oil, ten homes worth, sequestration of 27 acres of trees, or planting over 3,200 trees.

We do a follow-up survey (35% participation). 82% of those who rarely or never take sustainable transportation did in May. 44% of people said they made a change in their commute since 2009. Top three reasons why were the Commuter Challenge, a desire to be more environmentally friendly, and for health/fitness.

Commuter Challenge appears to impact lasting change year to year.

Comm. Long: What are the biggest obstacles that keep people from sustainable commuting?

Nancy Shore: Half the people don't live in Ann Arbor. The farther you get from the downtown, the participation drops accordingly. Having options for regional transportation is a huge obstacle. People do say weather is a factor. Fuel costs are influencing people too. I think parking fee price increases downtown would create behavior change – we have relatively low fees here in Ann Arbor.

Comm. Long: I'm sure land use patterns are a factor too.

Nancy Shore: Much of Ann Arbor is still suburban. So land use is very connected to obstacles.

Comm. Macomber: Has the impact from getDowntown and the Commuter Challenge been factored into the Energy Challenge?

Andrew Brix: Great point; I don't think that it has.

Nancy Shore: We just have statistics for people logging commutes. Thus we encourage people who already do these types of commutes to log their commutes to capture the best stats.

Comm. Macomber: I know you have something like the "Commuter of the Month" award. What was your goal in doing this, as it is similar to a concept our Outreach and Education subcommittee is working on, and has it been affective in meeting that goal?

Nancy Shore: We try to profile people who others can relate to or can be motivated by - more in the mainstream. It puts a face to the Challenge. A lot of people don't know how their co-workers are getting around. An energy profile would be a good approach based on our experiences.

Comm. Hong: Shower and changing facilities at places of work, at least for biking or walking, is an issue at law firms or similar places. I think the prizes and enthusiasm goes a long way.

Comm. Long: I have always heard about the connection with having showers, and LEED buildings often require this. I wondered whether that was listed as a big obstacle for people, as I have been to workplaces that have showers and it does not seem to result itself in greater transportation diversity.

Nancy Shore: Because of the distance, bikers as a relative share of "possible" commutes are less. Covered bike parking is greatly desired (Google has a bike room, for instance). The hierarchy of what should be done is difficult to get at.

Comm. Wadland: Getting over a regiment (like coffee in the morning) can be tough – but after a couple days I find I it energizing to bike to downtown.

Comm. Long: What about alternative structures to employer/employee dynamics and overcoming the conventional "workplace" and 9 to 5 arrangement?

Nancy Shore: Our program is for commuters, but we are interested in this idea. Residential engagement programs like ours in other parts of the country get at this idea.

Comm. Hieftje: getDowntown was awarded an Innovation award a few years ago from ICLEI – Local Governments for Sustainability. I like Comm. Macomber's idea of lumping in the program with the Energy Challenge. Before 2004, Ann Arbor had put in a lot of bike lanes, but they were not very integrated. In Madison and Boulder studies show six times (not six percent) the cycling there. So clearly weather alone is not a deterrent. That is why I worked so hard to get Eli Cooper here, and increased the bike-lane percentage 600%. Now if we can tie-in together these last few pieces we should catch up to some of those other locations. For instance, the covered bike parking that occupies entire parking spaces, is one way we are making real strides.

## REVIEW AND APPROVAL OF OUTREACH MATERIALS

Comm. Kurz: The Outreach Subcommittee is thinking about how to communicate our message. What kind of stamp of approval is needed? In the past Commissioners were able to create materials for events. I think it would be good to draft or have a policy for what materials need what kind of review. Does the Energy Office own them? I don't think our bylaws speak to this. Kim Wolske's Energy Challenge booklet could be used for these purposes, but is there a process once a draft update of this is ready?

Andrew Brix: I think the general rule of thumb is that if it has a City logo it needs to go through the Energy Office. We would involve the

Communications Office for larger campaigns. Content of what we distribute can go through the Energy Office.

Comm. Appleyard: I think it often helpful to get input, but don't have a strong opinion one way or the other.

Comm. Wadland: This came up in our Energy Production Subcommittee meeting. One member expressed concern that subcommittees might not communicate as well as they could - not that this has happened yet. Since there is overlap of committees, there could be a liaison arrangement.

Comm. Kurz: I like that Subcommittee meeting notes and the like have always circulated out to the whole group, at least from Outreach and Education. We have put timelines on responses and think other committees should follow this approach.

Comm. Wadland: I agree that it could get unwieldy if we bring it back to the full Commission every time a decision needs to be made.

Comm. Miller: If materials have the imprimatur of the Energy Office it should have the imprimatur of the Commission.

Comm. Wadland: It seems that sending for comments via email would take care of that - wouldn't it?

Comm. Miller: From a practical point of view perhaps, but from a legal point of view I have had concerns. There is always a balance between getting things done and having open meetings, and we are walking that line when working in subcommittees. I think imprimatur should be at a public meeting in a public place. If we expect what we do here to have lasting influence, then you don't want a coffee shop meeting with a few members to constitute a full approval.

Comm. Kurz: I think we are more likely to get feedback for materials over email than at these meetings, where people generally don't read things in advance or attend. Email seems a better mechanism for getting comments.

Comm. Miller: An official document, posted to the website, should have the Commission's imprimatur. I don't have a problem circulating documents for comment via email.

Comm. Macomber: I think that is a good idea for having a permanent record, similarly to how we do the minutes.

Andrew Brix: Can be just another line on the agenda. To formally approve a document or position, we can make it so the record is made at a public meeting.

Comm. Long: Can someone put all that into some kind of motion?

Andrew Brix: "Energy Commission approval of outreach materials shall be included as a regular monthly agenda item immediately following the Approval of Minutes."

Comm. Macomber: At another Commission I sat on, there was more of just an attachments portion, not necessarily requiring approval.

Comm. Wadland: I will propose the following: "resolutions from the subcommittees shall be brought to the Commission for approval." When subcommittees decide on a project or plan of action, it should be brought to full Commission so they are aware and can discuss it.

Comm. Macomber: What level of decision are we talking about? For

instance, we have invited presenters to our next subcommittee meeting, would they need to be signed off on. It might be important to clarify the level of decision-making.

Comm. Appleyard: We started out with web and print materials. Programs might be added to this list.

Comm. Hieftje: I think keeping it as simple as possible is best. Why not just say: "Before materials are distributed externally there will be full review and approval from the Energy Commission." (final language). (Motion approved unanimously through a voice vote).

### SUBCOMMITTEE DISCUSSIONS

#### Energy Production

Comm. Wadland: We will meet Wednesdays the week before the Energy Commission at 6pm on the 4th floor City Hall conference room. We had five members attend a broad discussion last time. PACE came up, though progress there is not likely in the short-term. A rebate program for solar thermal projects is happening for a limited time, and we are thinking of jumping on this through an explanatory chart.

Comm. Appleyard: Currently a solar water heater runs \$6500-\$10,000 per home. You can get a 30% federal tax credit now. Through the state there is also an appliance replacement rebate program. Requires that you replace the existing hot-water heater, so would be best done in homes where the existing system is on its last legs. We were thinking of shooting for 25-50 homes to do a group-buy. Assuming a contractor reduced rate of 10 percent, the 30% tax credit, and 25% state appliance rebate, takes a \$8,500 system down to \$3,500, supplying about 60% of your homes hot-water needs. This replaces \$250-\$300 worth of gas a year, or \$500-\$600 worth of electricity. So simple payback is 7-14 years, depending on the household. The trick is generating a program and the interest quick enough to make it go. A subcommittee member wanted to see a comparison for comparable PV, which would be about a 3.8 KW array. Solar Currents pays you \$2.40 per installed watt of the system, and DTE will pay you \$.11/kWh, getting you to about \$6,200 for the system. Solar thermal is still the better buy. Solar thermal is about 100 square feet, while PV is over twice that size on your roof.

Comm. Kurz: Why does Solar Currents drop the size of the PV array?

Comm. Appleyard: Because DTE buys the "greenness" from you, it is like getting twice the energy out of it (to compare apples to apples of PV and thermal). You still get to use the power but sell them the greenness.

Comm. Kurz: Don't many people think that PV for electricity is more multi-purpose for the home?

Comm. Appleyard: Yes, you get only hot water with solar thermal, and your payback is longer with PV.

Comm. Miller: I was with you until you said it made sense to go with the PV. If you save the equivalent kilowatt hours with the two systems and pay less with the solar thermal then the average person would go with the thermal system.

Comm. Wadland: This mirrors our discussion at the subcommittee meeting. As you can see it gets complicated quickly. Therefore we were going to produce a chart to sort out this type of choice. We want to do this quick, so our previous discussion about Commission approval is relevant. We will bring a final action to the group.

Comm. Appleyard: After Commission approval, interest from installers is important to know what their discount would be.

Andrew Brix: I recommend what Portland did. They recruited participating homeowners and gave them the tools to go out to bid themselves. They took an educational role and allowed residents to go forward, limiting the city's role.

Comm. Long: This would be putting up info together, lining up discounts, and publicizing, with the hope of 50 participants?

Comm. Appleyard: The number is 25 to 50. The trick is getting enough communications out there and enough organization out there to make it happen.

Comm. Macomber: Ann Arbor 350.org may be a good group to pass this along to, and they will be at the next Education and Outreach subcommittee meeting.

Comm. Appleyard: Tradition Town Reskilling is this Saturday, as another access point.

Comm. Kurz: Can you present there? I think we have to understand where our commission is at.

Andrew Brix: Staff and the Commission need to be careful with the legal side of putting people in touch with contractors.

Comm. Hieftje: The City would not want to insert itself in the interface between the homeowner and the contractor. It seems the contractor would want to be the one setting up a group buy. We could put information together and supply it to them. I would rather we go out for grants and think like that than inserting ourselves into something like this.

Comm. Wadland: The subcommittee will take all this into consideration and put the chart together and bring it to the body next time.

Andrew Brix: There should be no problem if members of the subcommittee went to the Reskilling event and gathered names of people interested. As far as selecting contractors and lining up discounts, that I would not be comfortable with.

Comm. Long: It would seem the contractors already have an incentive to do this and may already be doing it. I think the profit motive would encourage them to do it.

Comm. Appleyard: If that was the case we would see solar roofs all over the place. Part of the reason for the Energy Commission is to make things like this happen. Having had discussions with contractors, they are focusing on PV, and just handling what comes to the door, and don't have the resources to market in this way.

Comm. Long: So we should educate the contractors.

Comm Kurz: No, we should focus on the public. I think Jason Bing's report on the energy audits will reveal why people are reluctant to invest dollars. I do think it is incumbent on the Commission to let people know that they should do solar thermal because it makes dollars and sense. We face the challenge of getting the message out, making it clear. People are reluctant to hire just anybody.

Comm. Appleyard: You go to Europe and solar thermal is happening. It is an educational piece.

Comm. Long: I agree that we can help the public and create that demand. Again it seems like solar contractors have the motivation to get involved.

Andrew Brix: Again I point to the Portland example – they got maybe a 20% discount and that is what got people interested, not the provider seeking ways to offer their product at reduced rates. Much like how land owners in Michigan's thumb got together to get the best deal on wind leases. The cost barrier is the most significant reason to be involved on something like this.

Comm. Appleyard: I think getting the couple of residents involved in this subcommittee to take the lead on this is best for now.

Comm. Miller: You have a problem with schedule. Here is what I propose: we place on the website, that "private citizen XYZ is interested in getting together purchasers of solar thermal. If interested contact X." I hope this doesn't imply City endorsement. I would hope we could pass this type of motion tonight and let the process play itself out.

**Comm. Hieftje:** I am not sure if you are ready to put this forward yet. I am interested in Comm. Macomber's idea of passing this to the 350 group, at which point we could link to their efforts from our website, and maybe include some of the math showing that this can work.

**Comm. Macomber:** I agree, and someone should be in touch with Monica Patel or David Wright on the Ecology Center side.

**Comm. Wadland:** I don't think we are ready to name an individual or organization; the subcommittee needs to get together and organize this a bit more.

**Comm. Appleyard:** Lining everything up will take weeks. Once lined up, we could put a non-profit link on the website.

**Andrew Brix:** By way of analogy, DTE recently announced some audit discounts and we posted the information through email. It doesn't take much staff time to send an email or post something to the web. It is only when we get into larger messaging that we get into trouble.

**Comm. Kurz:** Is there someone in Portland Ken or a subcommittee member could get in touch with (Andrew Brix confirms).

**Comm. Appleyard:** I would take the figures we have worked on and give it to the subcommittee resident participant who is very active with Transition Ann Arbor and could get this moving apart from the Energy Commission.

**Comm. Kurz:** And the Energy Office can, as part of what they do, disseminate information that comes out of this.

**Comm. Long:** The subcommittee could proceed in trying to line up people who would be interested in the meantime.

#### Community Education and Outreach

**Comm. Kurz:** Next meeting is August 2nd at 5:30pm at the 6th Floor Conference Room. We are inviting a number of people not on the subcommittee (Burns Park, Pittsfield Village, Ann Arbor 350, Buhr Park Children's Wet Meadow Community, Dreaming Green). Jason Bing is presenting on what the barriers to change are. We hope to engage multiple neighborhoods with existing involvement, with some metrics around their energy use to find out works working and what's not. We have been working on getting Commission input on message too.

**Comm. Macomber:** Fulter put a survey together to hone our focus for the next year. Please fill it out if you have not already.

**Comm. Kurz:** This is our attempt to gather input from members and then

report back to the whole Commission in summary form.

**Comm. Macomber:** We have been talking about getting a link to Energy Office from the City homepage. The link would be in the “Living In” column, and would go to the Energy Challenge site.

**Comm. Kurz:** Once we are ready with process, we could link folks to news and events, or whatever we want to publicize. We are also working on redrafting the Energy Challenge brochure to apply broadly and not just to the one-month study timeframe. We would have a draft by next subcommittee meeting or Commission meeting.

**Comm. Long:** We will set another meeting to talk about energy metrics.

**Comm. Kurz:** And then that could be a part of our agenda, since we want behavior change to have results we can measure.

#### Finance and Facilitation

**Comm. Appleyard:** We are moving forward with time of marketing audit approach. PACE is on life support.

**Andrew Brix:** Back in September, the Federal Housing Finance Agency that governs “Freddie and Fannie” was fine with PACE, now in May they started calling PACE: “loans,” that present problems and require guidelines for underwriting that effectively redline these loans. A lot of pressure to solve the problem through legislation or litigation has arisen. More than one state and two governors already have issued strong statements. The White House did not succeed in resolving this. None of this appears to affect commercial PACE programs.

**Comm. Miller:** PACE seems to have a lot of material merit. I don’t see anything wrong with a City Council resolution advocating PACE. A bureaucratic policy position, no doubt influenced by lobbying efforts, should not influence local enabling legislation. We should fight for PACE programs for communities that want them, and not be defeatist.

**Comm. Long:** This decision doesn’t prevent enabling the legislation, just means no one will underwrite the loans, correct?

**Andrew Brix:** Yes. And we have not given up on PACE. There is no reason legislation could not pass this winter. It would be up to us as municipality to decide next steps, given difficulties homeowners may encounter going for these kinds of loans. Babylon, NY has released a “David and Goliath” fact sheet outlining how FHFA is abrogating their municipal authority to levy taxes. We have not talked to our attorneys about legal challenges, but are advocating with our local representatives.

**Comm. Appleyard:** Perhaps a Commissioner would volunteer writing a

resolution we could pass at the next meeting for Council. How does this impact people who have a mortgage already and go for PACE financing?

Andrew Brix: I don't believe any of this impacts those already with loans.

Comm. Miller: There is a serious barrier to implementation at a local level, but that doesn't stop state enabling legislation. This is speculation, but I am sure someone got face time to influence this policy at a bureaucratic level. We should advocate and play that game and say denying PACE damages the citizens of Ann Arbor.

Comm. Appleyard: We will set a date for the next subcommittee meeting and resolve resolution actions there.

**PUBLIC INPUT**

None

**NEXT MEETING: AUGUST?**

There will be an August meeting. (Motion passed on a voice vote).

**ITEMS FOR NEXT AGENDA**

None.

**ADJOURN**

Meeting adjourned at 7:38 pm.

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