

City of Ann Arbor

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Meeting Minutes Energy Commission

Tuesday, May 8, 2012 5:30 PM City Hall, 301 E. Huron St.

CALL TO ORDER

Commissioner Appleyard called the meeting to order at 5:36 pm

ROLL CALL

Present: 11 - Charles Hookham, Wayne Appleyard, John Hieftje, David A. Wright,

Joshua Long, Fulter Hong, Dina Kurz, Kenneth J. Wadland, Brigit

Macomber, Cliff Williams, and Mike Shriberg

Absent: 1 - Michael Delaney

APPROVAL OF AGENDA

Approved unanimously on a voice vote

APPROVAL OF MINUTES

Approved unanimously on a voice vote

PUBLIC INPUT

Nanci Rose Gerler - Concerns about AMI meter installations in Ann Arbor Gerler represented residents and citizens concerned about the AMI resolution supported by Energy Commission and noted issues with AMI meters are not fully considered. The devices send out non-ionizing radiation and high levels of radio and electromagnetic frequencies. These devices are harmful to health and cause symptoms, such as headaches, ringing in ears, sleeps disorders, nausea, cognitive dysfunction, memory loss and heart problems. Technology also does not strengthen the grid, but makes it more vulnerable to hacking, terrorism, sabotage, electromagnetic pulse, and solar flares. Gerler provided information packets including an article from Nature Awakenings, letters from citizens, and proposed rate sheets that show increases from DTE. Gerler noted that the Michigan Public Service Commission (MPSC) has approved all DTE requests for rate increases since 2008. 217.4 million a year for meter installation, although the installations are suggested to be free of charge. Gerler urged the commission to reconsider support of the meters, given the facts. Gerler noted rates go up 2 to 4 times with the installation of the meters. Gerler stated the only way to save energy is to use less, but with the meters, residents will use the same amount of energy, but will be charged more. Gerler asked the commission to consider the health, safety, and privacy risks of the meters. A public awareness seminar will be held May 9th from 7pm to 9pm at the Crazy Wisdom Community Room. The smart meter program is untried and untested and more facts should be taken into account. Gerler and others are

working to ban meters in the city and have already spoken to City Council, County Board of Commissioners, Public Housing, Ecology Center and others. Gerler stated she would be open to answer questions.

Appleyard: Could you explain connection between rate increase and the installation of the meters?

Gerler: Rate increases have been approved to support the program and will be paid by rate payers. Michigan Court of Appeals case ruled that MPSC made an error in granting 37 million dollars to DTE for the program because they do not offer a public benefit and the attorney general supported this ruling. MPSC under investigation. 2005 Energy Act gives consumers a choice to opt in or out of programs and DTE is not currently allowing this, even for medical exemption. Devices may cause health risks, specifically for those with heart risks – the devices may cause arrhythmia - and metal in their bodies or those with wheelchairs. Cost of program is 586 million dollars, and MI Court of Appeals and attorney general are concerned that consumers will bear most of this cost. Information packet includes information about 4-tiered pricing that also includes a dollar a kilowatt-hour critical peak pricing, which is an enormous rate increase.

Appleyard: The commission will look at these materials and those distributed by email.

Josh Watman – Support of AMI meter installations in Ann Arbor Watman is a resident of Ann Arbor and an employee at an energy company. He is only representing his own interests. Watman spoke in support of the smart meters and is happy utilities are being proactive in taking on looming energy challenges, including price transparency.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Geisler: 12th annual Mayor's Green Fair on Main Street will be held Friday, June 8th from 6pm to 9pm. Commissioners interested in helped table should contact me by email. Earth Day at Leslie Science Center had a good showing. Michigan Energy Fair will be held in Ludington on June 22nd through June 24th. Questions can be directed to Samantha Keeney at Samantha.keeney@glrea.org. Missions Zero Fest will be held June 9th and 10th on the 700 block of Fountain Street. More information available at www.missionzero.org. California Governor Brown approved 33 percent electricity from renewable energy sources by 2020 and Denmark set goal of 100 percent by 2050.

12-0802 Resolution to Recommend Adoption of Sustainability Goals as part of City Master

Resolution for Sustainability Framework Goals - Jamie Kidwell

Kidwell: Sustainability framework project started in January last year. The resolution brought forth tonight is the first part of the project, which is to create a set of overarching sustainability goals for the city. The second part of the project is a sustainability action plan that will connect goals to measurable targets and actions. The resolution tonight recommends that City Council adopt the sustainability goals as part of the city master plan. Kidwell noted this is a joint resolution and is hoping to seek approval from six different boards

and commissions. Goals underwent an extensive review process that included staff review, commission review, a public meeting, and online review. Commissioners Hookham and Williams were involved in the review as part of a commission working group. The goals were also shared at the Sustainable Ann Arbor Forums which attracted over 300 people. A public meeting was held in March and goals were shared via email with commissions and City Council. The resolution includes a set of 16 goals divided into 4 categories – land use and access, resource management, community, and climate and energy. Additional hearings would be held as part of the master plan review process.

Hookham: We have all these plans and documents around. Is the ultimate goal of the action plan how to tie these efforts together?

Kidwell: The framework is not meant to replace any one plan, but this process will act as a superstructure for all plans. As we move forward, the goals will provide a framework for how to move forward with new planning efforts. This will help staff become more integrated.

Hookham: Recently talked with Cresson Slotten about the capital improvement plan (CIP). There is opportunity to use the sustainable goals in the capital improvement process.

Kidwell: CIP currently includes environmental goals now, and adding the sustainability goals into the CIP is a logical next step. The goals should be a decision-making tool.

Shriberg: Commend the effort on this. Suggest that the second "whereas" clause in the resolution should be changed. Current language suggests a tradeoff between preservation and economic development. This is an odd mentality.

Kidwell: Other commissions are reviewing the resolution at the same time as the Energy Commission. Suggest that Energy Commission consider this before changing resolution, and language has been used in other city documents.

Shriberg: Energy conservation should not be lead goal, eliminating emissions is key goal. Overlooks energy efficiency. First goal should be renewable energy and eliminating emissions should be the lead goals.

Kidwell: We are working on narrative to help explain some of these nuances. In the future can revisit the set, but we are trying to start with a set.

Hookham: Renewable is in the definition of sustainable energy.

Shriberg: Modifying text underneath only refers to renewable energy.

Hookham: Your concerns are embedded in goals, but may not as visible as you would like.

Kidwell: Would be happy to work with commission on the narrative for the goals.

Shriberg: Is there a reason that eliminating net greenhouse gas emissions reduction is not the primary goal?

Kidwell: This goal came from one of the council approved environmental goals. Many comments around net greenhouse gases arose at meetings, and this was not seen something the community would easily latch on to. Energy conservation is a term seen as more community facing.

Wadland: Like the headlines, particularly energy conservation and high performance buildings which are practical examples.

Long: Can you explain the master plan process more? How will these goals be operationalized?

Kidwell: Goals will be a guidance document in the master plan. The goals would thread through all of our city plan decision making. Goals will be used in the city organization, such as in CIP process and with performance tracking. Several ways to use goals as decision making tools and will explore further once goals are approved, and am open to suggestions on how to best use these goals.

Long: Would like to see a resolution that supports using these goals as a decision making tool.

Kidwell: Adopting as part of the master plan will help this.

Macomber: In climate and energy, sustainable energy uses "all members of our community" and others use "in our community." Seems odd that they are not the same.

Kidwell: Phrase attempts to call out the specific equity issue with sustainable energy.

Macomber: Equity issues in all three, and sustainable energy may be the most unrealistic. I would like to see language equalized. Worried about future interpretations.

Appleyard: What will go along with these goals? The issues may go away with the paragraphs. Resolution is from the Energy Commission and we should make changes as necessary.

Kidwell: Will send copies of the draft narrative to commission.

Williams: Having difficulty understanding how the city should look at sustainability beyond energy and environment.

Hookham: Sustainability is energy, environment, and equity as mentioned in the resolution. Layered approach.

Kidwell: Happy to share specific evolution or background of these goals.

Wadland: Took class on energy and equity. Talked about the impact of energy and environment on different classes. Struck by how these goals bring in equity.

Williams: The role of government in sustainability and equity is still not clear to me, and I wanted to bring this up.

Shriberg: Overlap is with quality of life. These goals point that out well. Hookham: Issue is how can we shape government now to help preserve the future.

Kurz: Context of goals is important, because goals are complex and are not measureable. Concerned about ability to use these goals to make a difference. Document alone may not be able to do this. Are these goals or a vision? How do you build from there.

Kidwell: The goals are a set that should communicate Ann Arbor's vision. We have a database of all city goals and tagged them with which sustainability goal they relate to. Are also lining up targets from current plans with sustainability goals. There is a challenge in tying metrics to some goals, like land use, but we are thinking about this process already.

Hieftje: These are goals, and I would like to highlight how they are integrated into the city. Engaged community is ongoing all the time. Various hearing and

public meeting. No other city in the state spends a greater percentage of its own funds on housing and human services. Not a single person in the past two winters needing help has been turned away. Transportation options – all of these things are considered with projects. High performance buildings – to the greatest extent possible with the building code, the city is trying to incentivize efficient buildings. Took six or seven years to rezone downtown, but now focuses on efficiency. These goals sum up a lot of the work the city has done. Tremendous cultural activities in the city – like Chicago orchestra performances. Challenge is making progress in the community. Am comfortable with these goals and do not anticipate City Council would have a problem incorporating these into the master plan.

Long: There is a role for economics in sustainability. Only one goal relates to economic vitality, and our decision making process is influenced by finances. It is important to reflect the role of economics. Does economics not have enough weight in this document?

Kidwell: Economics, equity, and environment are meant to thread throughout the goals. An exercise we have used is how does each goal impact our people, place, and potential.

Long: The connection may not be explicit enough. Document might be more effective if this is more explicit.

Kidwell: Will share the draft narrative, which I think will help make clear where this document is headed.

Appleyard: Would like the bring this to a motion, and can discuss potential changes.

Motion by Hieftje, Seconded by Hookham

Appleyard: Any amendments?

Long: Is there a mechanism to amend going forward?

Appleyard: Changes should be made now.

Hieftje: If Energy Commission amends, then other commissions can also amend, and it will come back to this commission. To make changes, I would suggest chairs get together to work this out.

Long: A lot of staff time and input was put into this goals, and perhaps we should not change them.

Hieftje: Staff would have to reconcile difference in resolutions.

Vote - Passed Unanimously

12-0657 Resolution to Support Renewable Energy Ballot Proposal of 2012

Resolution for 2025 Renewable Portfolio Standard

Motion by Wadland, Seconded by Hieftje

Hookham: Fifth "whereas" clause states "requires an 80-90% reduction." Not sure this has been proven.

Long: Could strengthen by saying where this number can from.

Williams: Use "may require."

Wadland: Is objection to number or concept?

Hookham: Is perceived to be a fact, but is an issue. The number does not add

value.

Proposal to strike "80-90%," no second

Proposal to insert "likely" - Moved by Williams, Seconded by Macomber

Wadland: What proof do we have for percentages? Might change to require a major reduction.

Hookham: Percentage is too precise.

Shriberg: Percentage is taken from a summary of the literature. One strategy is to add a direct reference or another is to pull out the number and use significant reduction. Not in support of removing the clause entirely. Hope this will become a model for other communities, so taking out the numbers might help other communities to adopt this.

Hieftje: Planning to take this to City Council, and taking out numbers would help.

Long: Consequences stated from the IGPCC report, so we should keep this direct reference in, if it is from an authority on climate change.

Hieftje: Might be beneficial to make the resolution more general to make people understand.

Macomber: In support of adding the reference. Would be useful to cite a resource.

Hieftje: Suggest adding a clause about the attainability of these goals, and would be happy to work with Commission Shriberg on this resolution for City Council.

Clause to read:

Whereas, averting the worst consequences of climate change for our City and State requires a major reduction in greenhouse gas emissions; and

Commissioners discussed changes to the last clause to make intent clearer.

Revised clause to read:

Whereas, the Michigan Public Service Commission has found nearly all new renewable energy sources (including wind, biomass, and landfill gas) to be less expensive than new coal plants, even without taking into account external public costs, such as greenhouse gas emissions;

Vote - Passed unanimously

Climate Action Plan Presentation

Geisler: Last gave an update at the March work session. Local information source is GLISA, which is helping to dive deeper in Ann Arbor data (www.glisa.umich.edu). Energy plan dates back to 1981, Climate Action Plan (CAP) updates this. Original Green Energy Goal of 20% renewable energy attained in 2010. Goal of CAP is to target community at large. Project is funded by Michigan Department of Environmental Quality Pollution Prevention Grant. Municipal energy use is less than 2 percent, so community energy use is a significant contributor to emissions.

CAP Task Force is working within city boundaries to develop actions to reduce emissions. Task Force includes:

TERRY ALEXANDER - Executive Director, Office of Campus Sustainability,

University of Michigan
WAYNE APPLEYARD - Chair, Ann Arbor Energy Commission
BONNIE BONA - Ann Arbor Planning Commission
RICHARD FLEECE - Public Health Director, Washtenaw County
MIKE GARFIELD - Director, Ecology Center
CHARLES HOOKHAM - Ann Arbor Energy Commission
JOSEPH MALCOUN - DTE Energy Resources
LAURA RUBIN - Executive Director, Huron River Watershed Council
NANCY SHORE - Director, getDowntown
MIKE SHRIBERG - Education Director, Graham Environmental Sustainability
Institute, University of Michigan, Ann Arbor Energy Commission
VALERIE STRASSBERG - Ann Arbor Environmental Commission
CHRIS WHITE - Manager of Service Development, Ann Arbor Transit Authority

An update was given on the CAP at the March 8th Climate and Energy Forum, which had 112 attendees. Video is online at www.aadl.org. CAP Task Force has set goals of 25 percent reduction from 2000 levels by 2025 and 80 to 90 percent by 2050. The greenhouse gas inventory uses a 2000 baseline and includes 2010 data. Inventory is divided into sectors (residential, commercial/industrial, University of Michigan, transportation, and waste). Increase of 8 percent from 2000 to 2010. Shift in use from commercial/industrial sector and University of Michigan from 2000 to 2010 is likely due to Pfizer plant shutdown. Municipal operations accounted from 1.7 percent of community emissions in 2000 and 1.2 percent in 2010. CAP hopes to have source and scope information for the inventory. Scopes look at whether or not emissions are from within or outside city boundaries.

Macomber: Are University of Michigan RECs accounted for in the scopes? Geisler: This would fall under overall emissions accounted for by the University.

Long: Could you explain scopes?

Geisler: Scope 1, 2, 3 emissions are used as a standard. Scope 1 occurs within boundary, like heating your home. Scope 2 is outside the home, energy created at a coal plant, for instance. Scope 3 includes things that do not fall outside those categories.

Ann Arbor is below the overall U.S. average when looking at emissions per capita, but it is difficult to compare directly to other cities, due to different factors. CAP is organized to line up with the sustainability framework. CAP uses the categories – land use and access, energy and buildings, community and health, and resource management. CAP Task Force has had five meeting to date and will meet next Tuesday.

CAP Next Steps Update Rebecca Filbey, Clean Energy Coalition

CAP Task Force developed a list of actions and the impact of these actions were modeled. Model shows a 2 percent growth or a .5 percent growth in emissions (business as usual without climate actions implemented). As part of CAP process, all of the actions were modeled. Assumed a 1 percent growth and modeled all actions to reduce CO2. This predicted implementing all actions would result in a 28 percent reduction below 2000 level by 2025, but

does not forecast or reach the long-term goal for 2050. New technologies will help reach long-term goals. Also in the process of modeling new actions to reach this long –term goal. Will distribute a list of actions to commission. Are modeling big actions, like altering the renewable portfolio standard, to see how to reach the long-term goal. CAP used a modeling tool based on the City's capital improvement plan prioritization model to prioritize actions. Task Force helped select criteria and assign weight to criteria. Feasibility and cost were the two biggest factors in the model. This is an internal planning tool. Michigan CAP was also used as a reference point, and used a step wise marginal cost curve. CAP is being drafted now and will be tied to the a2energy brand. Next steps include: Task Force meeting, May 15th, City Council work session June 11th, and a resolution in July/summer. Please send comments to Nate Geisler in next month.

COMMISSION WORK PLAN UPDATES

Energy Kits

Hong: Purchased kill-a-watt carbon footprint meters with help from Ann Arbor District Library. Have individual sensors at can look at cost by day and pounds of CO2. Kits are available at the Ann Arbor District Library for check out. Appleyard: Thank Google for funding.

Hong: Did not provide full kit to keep circulation simple for check out. Library is partner on this and will take care of casing and circulation of labor cost. Will also provide aggregate use costs as well.

Rental Housing

Kidwell: City is trying to accept a grant from HUD as part of Washtenaw County's grant. Contract is likely to go City Council in May and will include over 200,000. The group met to scope out how best to proceed once the grant is accepted and we will form a group to build on this commission's subcommittee. Summer will focus on talking to stakeholders.

Energy Production

Wadland: No meeting.

Renewable Energy Access

Wright: No meeting. Propose last Wednesday of each month for regular meeting time after 5pm.

PUBLIC INPUT

None

ITEMS FOR NEXT AGENDA

Geisler: Next meeting is scheduled as the quarterly work session and will be held in the basement of Larcom City Hall.

ADJOURNMENT

Motion to adjourn by Long, Seconded by Wadland The meeting adjourned at 7:36 PM			

Visit www.a2gov.org/energy to learn more about Ann Arbor's Energy Programs

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