

City of Ann Arbor

301 E. Huron St. Ann Arbor, MI 48104 http://a2gov.legistar.com/C alendar.aspx

Meeting Minutes Energy Commission

Tuesday, May 12, 2015

6:QaPMm City Hall, 301 E Huron St, Second floor, City Council chambers

CALL TO ORDER

Clevey called the meeting to order at 6 PM.

ROLL CALL

[Hookham and Macomber arrived, after roll call.]

Present: 8 - Charles Hookham, Kim Wolske, Brigit Macomber, Mark Clevey,

Shoshannah Lenski, Stephen Raiman, Christopher Taylor, and Kenneth J.

Wadland

Absent: 2 - Mike Shriberg, and Wayne Appleyard

APPROVAL OF AGENDA

Approved unanimously on a voice vote.

APPROVAL OF MINUTES

<u>15-0582</u> Ann Arbor Energy Meeting Minutes of the April 14, 2015

Attachments: Energy Commission Minutes 4-14-15.pdf

Motion to approve minutes by Taylor, seconded by Wadland, approved unanimously.

PUBLIC INPUT

Kermit Schlansker spoke of the benefits of an Ann Arbor "energy farm" concept with various components of renewable generation, demonstrations, along with housing; he suggested a proposal to various entities and agencies and supplied Commissioners with text describing his idea.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Geisler: City Council approved a contract with the Hands On Museum to do wind energy and renewables education with the grant from the US DOE. The museum has helped the city with exhibits in the past as part of the Solar Cities grant, and Commissioners are welcome to be engaged going forward.

Tomorrow the citizen workgroup of the Ann Arbor Station environmental review is meeting; open to the public (6:30 PM at DDA offices).

June 26-27 is MI Energy Fair put on by the GLREA, with speakers and exhibits at Ingham County Fairgrounds. Registration at www.glrea.org

DTE's annual conference and expo held last week in Novi. The event focused on energy efficiency in different sectors and technology updates.

The Detroit Zoo is partnering with MEDC on a biodigester study.

Community Solar presentation by Dave Friedrichs of Homeland Solar

Friedrichs: Focused the last ten years on renewables and solar projects, as prices have dropped. One small wind project along with solar installed at the Unitarian Universalist Church on Ann Arbor-Saline - there is data from the turbine updated every 15 minutes on ww.uua.org. Homeland has over a dozen solar installs in town now (Washtenaw Food Hub most recently). Community solar projects are essential to make solar available to all, since only 25% of locations can do solar.

Special project entities can have fractional shares in a project for individuals unable to do solar at their location. We have Michigan Saves as a program offering 4.25% financing for solar projects - need not be at your home, and still eligible for federal tax credits. You could pre-sell subscriptions for user ownership. User-owned approach should have lower cost of capital compared to a utility owned model. We are using our approach in Chelsea, since they have a municipal utility, registering interest. Critical to a project is negotiating the rate the utility will give you. Consumers Energy will give you 8 cents per kWh. Other locations offering much more for "value of solar" (18 cents in Maine). The MPSC in Lansing will be involved if we can start to negotiate or there are impasses.

We put in household systems at about \$3/watt installed. When you go to a megawatt scale, the cost will drop by a third. 4 acres per megawatt is required for a large project. MSU just went out for a 20 MW project, so did Lansing Power and Light. Our theme is "own your own power".

Wadland: Is Chelsea's program a subscription program? (Friedrichs confirmed. Doing flyers for \$100 each share in the system.) Clevey discussed fact that we are not a municipal utility, and challenges with self-generation.

Friedrichs said utilities are moving toward distribution services, not just the monopoly IOU model they have lived with for years.

Clevey mentioned the Commission's subcommittee on this topic and interest to stay engaged on progress.

Mayor Taylor Budget Amendment Resolution

Clevey read into the record the proposed resolution supporting a budget amendment funding community energy and climate resources. Taylor explained this resolution would be transmitted to Council, indicating Energy Commissions support to advance Climate Action Plan programs.

Hookham offered a text amendment removing "generation" from GHG reference in the final resolved clause and asked for clarity on funding source

and how Commission could be involved. Taylor explained this is General Fund money for programs augmenting additional grant dollars to be sought. The City Administrator identifies the agencies to implement the programs and contracts are run through City Council. Energy Commission views could be communicated, but Commissions do not manage city projects. Clevey explained Commission as a setting policy but not determining where dollars are used. Staff explained the Administrator's use of departments to determine priorities, and that these funds build on current work undertaken by the Clean Energy Coalition who is under contract working on topics the Commission is discussing.

Below is the resolution language with additional edits removing text from Wolske:

Whereas, The City of Ann Arbor has a longstanding commitment to energy conservation and efficiency dating back to 1981;

Whereas, The City of Ann Arbor recognizes the serious threat that climate change poses to the local environment, to our economy and to our residents' long-term security, livelihoods, and quality of life;

Whereas, On December 17, 2012, the Ann Arbor City Council adopted the Ann Arbor Climate Action Plan which identifies steps to reduce greenhouse gas (GHG) emissions to meet current short-term goals, and to set mid- and long-range targets for emissions reductions into the future;

Whereas, Several findings within the last year have pointed to evidence that the deleterious effects of GHG emissions are increasing at a more rapid rate than previously acknowledged, making rapid action on GHG emission reductions even more imperative;

Whereas, Since the City of Ann Arbor municipal services produces only 1.2% of community-wide greenhouse gas emissions, achieving the Climate Action Plan's adopted targets requires participation from businesses and residents;

Whereas, Investing in energy efficiency has a direct economic benefit in the manufacturing, research and development, and service sectors as well as indirect benefits that come from utility savings that produce a multiplier effect that increases investment in local goods and services;

Whereas, The City of Ann Arbor has proven options available to provide additional services to its residents and businesses to significantly increase energy efficiency and reap the benefits associated with such measures, including better air quality, community health, economic stimulus and our quality of life while insuring that our city reaches the adopted GHG emission reduction targets to which it has committed; and

Whereas, The current level of resources directed by the City of Ann Arbor to energy programs and services limits the extent to which additional programs can be instituted and maintained;

Resolved, That the City of Ann Arbor Energy Commission recommends that the Ann Arbor City Council approve the amendment to the 2015-2016 budget to be

proposed by Mayor Taylor and Councilperson Briere that will include devoting additional funding for climate action programs to help residents and businesses in the community reduce GHGs and to help translate the Climate Action Plan into reality.

AYES: Taylor, Raiman, Wolske, Wadland, Lenski, Macomber, Clevey

NAYS: Hookham

ABSENT: Appleyard, Shriberg

Motion carried and was transmitted to City Council.

Commission Retreat Discussion

Geisler: Could June 9th work session be used for retreat, starting a bit earlier than usual (4 PM)? Majority of group agreed, confirming electronically after meeting and with remaining members who are not present at the meeting.

Downtown Zoning Premiums

Geisler: ENP Associates presented at the last meeting and are interested in Commission input for D1 and D2 zoning updates as pertain to premiums for energy efficiency. Please notify staff if interested in being further involved in feedback.

Biodigester

Staff also solicited other interested Commissioners in the biodigester feasibility study (Clevey offered).

COMMITTEE UPDATES

Climate Action Plan

Geisler: Developing Climate Action Plan progress summaries in the form of two-page documents with help of sustainability staff at the City - short dashboard documents to accompany work on the Plan. The National Climate Adaptation Forum soon underway as well and staff will have a presence there. Climate Partners are working out the concept of a "celebration season" to focus events and attention around a theme area in the CAP, and planning a soft launch at the Mayor's Green Fair.

Community Solar

Clevey: Looking at how implementation is happening. Difficulty is dealing with the power that comes from a system. Two choices are sell to DTE or a voluntary effort/donation model (like Michigan Theater). We are interested in on-site generation for single users of the power.

Sustainable Funding

Clevey: Researching models in other cities.

Macomber: To do heavy lifting on the Climate Plan, there are a number of

cities that have figured out how to fund community work.

Nuclear

Raiman: Inviting new members with Eibert's departure. License for FERMI III was approved (enough power for 8 Ann Arbor's).

Lenski stated that DTE has offered a tour of FERMI (3-4 individuals at a time so could not be the whole Commission).

Raiman: A 100% renewable path in Ann Arbor would not be feasible; interested in what pathways are possible with different possible mix of generation types.

Energy Benchmarking

Geisler: Other cities proposing ordinances envision needs for additional full-time employees and consultant dollars for support. We are entering more properties in Portfolio Manager to test out functionality. An update meeting will be scheduled in the next couple of weeks.

Clevey: Better Buildings program worked through Portfolio Manager use among cities in Michigan and found that it is not enough to set up an account, the bigger issue is maintaining and updating the data.

Macomber: Automating bill data from utility companies can be key to saving time and resources. We are hearing from other entities in the state who are interested in this topic.

Lenski asked about other cities with benchmarking ordinances and whether the ordinance came before the utility set up data transfer or vice versa. Clevey stated the issue came up repeatedly in the Better Buildings projects in Michigan, both with DTE and Consumers, from a data protection standpoint.

Macomber stated that pulling together more cities and entities is likely coming, in terms of making the ask of DTE

PUBLIC INPUT

ITEMS FOR NEXT AGENDA

ADJOURNMENT

Motion to adjourn moved by Wadland, seconded by Macomber at 7:31 PM.

Visit www.a2energy.org for community energy information in Ann Arbor, or

www.a2gov.org/energy to learn more about the City's Energy Programs

Regular meetings shown Live and replayed on CTN Channel 16 and at www.a2gov.org/ctn