



City of Ann Arbor

301 E. Huron St.
Ann Arbor, MI 48104
<http://a2gov.legistar.com/Calendar.aspx>

Action Minutes

Energy Commission

Tuesday, May 14, 2019

6:00 PM

Larcom City Hall, 301 E Huron St,
Second floor, City Council Chambers

CALL TO ORDER

Chair Appleyard called the meeting to order at 6:05 PM.

ROLL CALL

Present: 9 - Charles Hookham, Mike Shriberg, Shoshannah Lenski, Wayne Appleyard, John Mirsky, Carlene Colvin-Garcia, Jack Eaton, Jeff Hayner, and Jay Zocher

Absent: 3 - Brigit Macomber, Mark Clevey, and Noah Levin

APPROVAL OF AGENDA

A motion was made by Lenski, seconded by Mirsky, that the Agenda be Approved. On a voice vote, the Chair declared the motion carried.

APPROVAL OF MINUTES

A motion was made by Mirsky, seconded by Colvin-Garcia, that the Minutes be Approved. On a voice vote, the Chair declared the motion carried.:

PUBLIC INPUT

No public input.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Staff MacDonald informed the commission that interconnection agreement paperwork [for solar installations] was submitted for thirteen City-owned sites, including high users and iconic locations. The interconnection agreements

grandfathers those sites into net metering for ten years. The City has six months to physically install the solar panel systems.

Staff MacDonald informed the commission of progress with Fire Station 6 [solar installation] and is determining logistics from a safety perspective.

Crowdfunding for the solar installation is online at patronicity.com/firestationsolar. Volunteers will install solar panels; anyone interested in volunteering is encouraged to reach out to Staff MacDonald at jmacdonald@a2gov.org.

Chair Appleyard informed the commission that CO2 emissions reached 415 ppm for the first time in recorded history.

Commissioner Hookham informed the commission of an opportunity to reach out on May 22nd at Delta Solar. Members from state legislature will be attending to better understand how solar works. The event will explore how CMS will install 5 gigawatts of solar over the next 5 years. Anyone interested in attending should contact Commissioner Hookham. The megawatt AC solar installation site is located on the southwest side of Lansing. It is the second largest tracking solar installation in Michigan.

DTE Energy Efficiency Presentation

Sereen Dabaneh works for DTE Residential Energy Reduction Program, specifically the DTE Insight program. Jason Kupser previously talked about the different programs available. Dabaneh provided information on the program, including penetration data.

Dabaneh informed the commission that the Energy Waste Reduction Residential Program includes 11 individual programs. The main goal of the program is to help customers save energy and money. Her aim is to increase awareness of the programs.

Dabaneh informed the commission that the DTE InSight Program is a behavioral app, while another program sends a physical letter. The goal of the app is to help customers interact with and learn about their home energy usage. The app interfaces with a customer's smart meter and provides hourly consumption data. If an Energy Bridge hardware device is added, the customer can view their energy usage in the real time and evaluate behavioral impacts on energy usage.

Dabaneh informed the commission that the presented version of the app will be released within in the next month. From the new version of the app, customers can manage all apps connected to smart devices.

Dabaneh informed that the app responds to what customers asked for: piece of mind and to save money.

Dabaneh presented a live stream of the app showing its various features, including consumption information, comparisons to goals and temperature data, information about the billing cycle, disaggregated consumption data by appliance, potential energy-saving projects, and more.

Dabaneh informed the commission that the app is free, while the Energy Bridge has a monthly fee. The Energy Bridge can be placed anywhere, and pairs to the app. The Energy Bridge provides 3 second interval data.

Commissioner Shriberg inquired about whether the system can be used with solar. Dabaneh informed the commission that it is currently unclear whether the Energy Bridge can be used with houses with solar installed. Commissioner Lenski informed the commission that DTE is currently investigating resolving the compatibility issues with solar.

Dabaneh informed the commission that the app can control smart devices, with the Energy Bridge acting as a hub.

Dabaneh informed the commission that the app provides custom advice and an energy score comparing residences to similar homes, informs customers about new opportunities for programs to participate in, and more smart predictive features.

Dabaneh discussed spreading the word to Ann Arbor residents about the app.

Dabaneh informed the commission of Ann Arbor resident participating in EWR programs, which is high compared to other cities. The data compares participation by zip code. Dabaneh informed the commission that over the InSight program has been available since 2009, and that over the last years, participation is around 17%.

Commissioner Colvin-Garcia discussed applications to the Ann Arbor Public School District, which is in the process of catalogueing usage using Energy Star's Portfolio Manager. She described the struggle of obtaining data in a downloadable fashion. Dabaneh informed the commission that the InSight program only applies to the residential sector, while the DTE website allows some users to download data. Dabaneh discussed school programs, which connect students with products and information about energy reduction through hands-on experiments. Dabaneh informed the commission that DTE works in around 300 schools per year with grades 4-6.

Commissioner Mirsky inquired whether InSight App program was only applicable to single-family residential buildings. Dabaneh informed the commission that the InSight App can be used in apartments, as long as the AMI meter is within 25 feet.

Commissioner Mirsky and Dabaneh discussed whether participation data was presented by Ann Arbor's jurisdictional boundary or by zip code.

Commissioner Mirsky and Dabaneh discussed the monthly fee for using the Energy Bridge. Dabaneh informed the commission that while the Energy Bridge fee was introduced within the past couple years, the app is still free.

Commissioner Mirsky and Dabaneh discussed whether the advisor feature of the InSight app accounts for unique features of homes, such as geothermal systems and plug-in electric vehicles. Dabaneh informed the commission that the InSight App does not account for unique characteristics, but the HDR program logs unique characteristic information into the home profile.

Commissioner Mirsky discussed monitoring App usage over time, as there may be a drop off. Dabaneh informed the commission that since the launch of the third version of the app in 2017, DTE has been monitoring customer participation. They found that customers who log in 5 times or more per year save more money than customers who log in less. They also found that customers with smart devices log in more frequently (5 times per week).

Commissioner Mirsky and Dabaneh discussed whether the smart home features of the app. Dabaneh informed the commission that the Energy Bridge acts as a hub, but uses Alexa devices for voice control.

Commissioner Mirsky and Dabaneh discussed other options available on the market. Dabaneh informed the commission that the InSight App uniquely connects to all smart devices, and that the DTE app provides access to data that other companies could not provide.

Commissioner Mirsky and Dabaneh discussed whether DTE earns a commission from the shopping feature of the InSight App. Dabaneh informed the commission that DTE does not.

Commissioner Colvin-Garcia and Dabaneh discussed whether the Energy Bridge requires smart-based devices. Dabaneh informed the commission that the Energy Bridge does not require smart devices to function; without them, it provides real time energy usage data. Dabaneh informed the commission that without the Energy Bridge, the app provides data for the previous day in hourly increments, and provides Advisor, Tips, and Projects features.

Commissioner Mirsky and Dabaneh discussed that the InSight App does not interface with a Nest thermostat, which uses a Google Hub interface, since the Energy Bridge uses an Amazon interface.

Commissioner Hookham and Dabaneh discussed any trends in behavioral-based changes. Dabaneh informed the commission that there is a cap on savings.

Colvin-Garcia and Dabaneh discussed how the impact of the InSightApp is measured via audits.

Commissioner Mirsky discussed A2Energy Power Hours, which focus on energy efficiency and potential installations of renewable energy, and working with DTE to feature the InSight App at those Power Hours.

"Dark Money" Resolution

Commissioner Mirsky informed the commission that a new resolution was prepared based on comments provided by Commissioner Lenski in the previous council meeting. Commissioner Mirsky discussed including the term "dark money" quoted in the title due to its brevity. Commissioner Mirsky discussed removing language that was not directly relevant to the resolution itself. Commissioner Mirsky discussed keeping two distinct "Whereas" clauses that address specific different scopes and actions.

Commissioner Mirsky discussed how utilities should be referred to in the body of the resolution, including “investor-owned utilities” (IOUs) and “monopoly utilities”. Commissioner Mirsky discussed Commissioner Lenski’s comments on using terminology such as IOUs, “regulated utilities,” or removing the term “monopoly.” Commissioner Mirsky informed the commission of additional language recommendations from Commissioner Lenski.

Commissioner Shriberg proposed using the terminology “regulated utilities,” which applies to all utilities operating in Michigan without providing distinction of who their owners are. Commissioner Mirsky discussed that municipal utilities are not the focus of the resolution.

Commissioner Mirsky discussed removing language characterizing contributions as “affecting IOUs”, which leaves the language of the resolution open to interpretation.

Commissioner Hookham informed the commission that he would not be supporting the resolution. Commissioner Hookham discussed that the last “Whereas” clause was the most relevant. Commissioner Hookham discussed that language mentioning greenhouse gases was less relevant to “dark money.”

Councilmember Eaton discusses his recommendation of sharing the resolution with the City’s Attorney Office. Commissioner Mirsky informed the commission that since the resolution is now going to the Policy Agenda Committee, rather than City Council, the resolution has not yet been shared with the City’s Attorney Office. Councilmember Eaton informed the commission that once at the Policy Agenda Committee, the resolution will likely be reviewed by the City’s Attorney Office. Councilmember Eaton and Commissioner Mirsky discussed that there is currently no pending legislation on the topic, and that Ann Arbor would be a leader, and distributing the resolution to other entities to build support for this type of action.

Continuing the motion made by Commissioner Mirsky moved that the resolution be considered, seconded by Zocher, and for the resolution to be considered at the prior Commission Meeting, which was tabled, Chair Appleyard called the matter to a vote, which passed 5-1.

Funding Presentation

City Administrator Lazarus and Staff Stults presented information on the FY 20 budget. City Administrator Lazarus informed the commission that total budgeted expenditures for FY20 are \$430.1M, with an 8-9% increase in the general fund. City Administrator Lazarus informed the commission that City Council will decide whether to adopt this FY20 Budget and FY21 Financial Plan on Monday, May 20. City Administrator Lazarus informed the commission that all fund balances remain in the City policy goals of uncommitted fund balances of 15 – 20%. City Administrator Lazarus informed the commission that the City’s General Obligation bond rating remains at AA+. City Administrator Lazarus informed the commission that the typical residential impacts are about \$11

monthly between property taxes and utility costs.

City Administrator Lazarus discussed changes in funding by priority topics, including Climate Action/Sustainability, which experienced the third-largest increase in funding from FY19, following Affordable Housing and Community Mental Health.

City Administrator Lazarus informed the commission that the projects around \$4.3MM of new funding in FY20, including the County Millage Rebate funds, General Fund sources, and the Street Millage. City Administrator Lazarus informed the commission that the new funding amounts are consistent with the resolution City Council passed for expenditures of the County Millage Rebate, which allocates \$880,000 to Climate Action, \$880,000 to Affordable Housing, and \$440,000 to Pedestrian Safety. Other program areas were funded as a result of survey results from earlier in the year. City Administrator Lazarus discussed additional funding in Pedestrian Safety and Police.

City Administrator Lazarus informed the commission that the budget includes performance measures. City Administrator Lazarus informed the commission that those performance measures will start to be shared publicly starting with 4th Q FY19. City Administrator Lazarus discussed using SMART metrics, and surveying customers for metrics that have no benchmarks.

City Administrator Lazarus informed the commission that sustainability is a way of doing business, and much of the proposed funding will catalyze internalizing programs into operations.

Dr. Stults informed the commission that a previous presentation to City Council has more detail, while the information presented to the commission is consistent with that seen by the Environmental Commission. For each project, Dr. Stults discussed the scope of each project, the vision of success, project leads and partners, timelines, metrics, and short-, medium-, and long-term benchmarks, which will be used to track progress.

Dr. Stults discussed the Net Zero Affordable Housing Initiative collaborating with the Ann Arbor Housing Commission to advance affordability, while doing enhanced energy efficiency work, electrification, or installing renewable energy by providing technical expertise and move resources to action. Dr. Stults informed the commission that City Council supported the initiative in the previous fiscal year, identified additional sites and potential energy efficiency improvements and savings, and are planning on moving forward.

Dr. Stults and Commissioner Mirsky discussed the Initiative of goal of all affordable housing units being energy neutral or positive by 2035 and Ann Arbor's goal of 2,800 new affordable housing units by 2035. Dr. Stults discussed the differences between addressing new units and retrofitting existing units.

Dr. Stults discussed the Sustaining Ann Arbor Together Community Micro-grant Program, and informed the commission that the program has completely awarded all funding for this fiscal year. Commissioner Mirsky and Dr. Stults discussed that sustainability has a broader scope than climate action, and why the program is funded under Climate Action. City Administrator Lazarus informed the commission that the program was previously in the General Fund. City Administrator Lazarus informed the commission that the Climate

Action Plan included providing a micro-grant program, and broader benefits of education and community-building.

Dr. Stults informed the commission that City Council established a goal of 100% Clean and Renewable Energy for Municipal Operations by 2035. The 100% Clean and Renewable Energy for Municipal Operations program includes resources for energy efficiency audits and retrofits, installing renewable energy, and exploring battery storage. The program includes exploring the first solar-powered, battery-enabled, grid-connected electric vehicle charging station to procure data in a high-profile location.

Dr. Stults informed the commission of a one-time to ask add \$100,000 to the Revolving Energy Fund, which internal staff can access when they do not have the up-front capital in the current fiscal period to implement efficiency and renewable energy savings, which are paid back through energy savings.

Dr. Stults discussed other programs in Climate Action, including the Green Rental Housing Initiative, Resilience Hubs, Home Energy Disclosure, Green Buildings Challenge, Aging in Place Efficiently Program, Weatherization Expansion, and Efficiency and Solar in the Community Initiative.

Dr. Stults informed the commission that the last 10 months have focused on planning, including taking into account information from the Energy Commission. Dr. Stults informed the commission that the programs are driven by the goal set by City Council to reduce community-wide greenhouse gas emissions 25% by 2025 and 90% by 2050, grounded in science, and resonant to the people of Ann Arbor.

City Administrator Lazarus informed the commission that the City is close to completing the Solid Waste Resource Management Plan, recruiting a Resource Recovery Manager, and participating in the Regional Solid Waste Management Authority. City Administrator Lazarus discussed the Green Fleets Conversion, including the purchase of the first hybrid police cruiser. City Administrator Lazarus discussed the William Street CycleTrack road work, potential Lane Reductions, the Allen Creek Berm Opening project, and the Treeline Trail.

Commissioner Colvin-Garcia and Dr. Stults discussed the hybrid police cruiser and Chevy Volt additions to the City fleet.

City Administrator Lazarus informed the commission that he and Dr. Stults had responded to over 100 questions from City Council. Commissioner Mirsky and City Administrator Lazarus discussed the amendment process.

Councilmember Eaton informed the commission that in the previous fiscal year, amendments represented over \$1 MM of a \$111 MM general fund.

City Administrator Lazarus informed the commission that rates and fees were approved at a prior council meeting, and subject to public hearings.

Commissioner Shriberg discussed seeing funds utilized effectively in the proposed budget.

COMMITTEE UPDATES

Staff MacDonald informed the commission that the 100% Clean and Renewable Municipal Energy has been moving with Commissioner Mirsky, Commissioner Hookham, and Larry Kerber.

Solar Access Ordinance

Staff MacDonald informed the commission that Craig Toepfer joined the subcommittee. Commissioner Hookham informed the commission that he will share a charter for the subcommittee, which talks about its mission. Staff MacDonald informed the commission that a staff member from Planning would also be involved.

Commissioner Mirsky discussed having a rough Gantt chart for a project timeline. Commissioner Hookham informed the commission that the charter was publicly stated at previous meetings.

Staff MacDonald informed the commission that a staff member from Planning will be joining the subcommittee.

Mirsky suggested also producing a rough Gantt Chart with due dates. Hookham discussed that the charter has been publicly stated.

Lighting Ordinance

Commissioner Mirsky informed the commission that the Planning Commission is reviewing the final draft of the ordinance, and if approved will go before City Council in June.

Commissioner Mirsky discussed the Sign Ordinance, which will be reviewed in the last meeting in May, and may be reviewed by City Council at the same time.

Commissioner Colvin-Garcia and Commissioner Mirsky discussed City purchasing of lighting. Councilmember Eaton informed the commission that the contract for lighting was approved by City Council, and had questioned whether the contract could be updated. Councilmember Hayner informed the commission that City Council had decided that it was untenable to re-issue those bids. Commissioner Hayner informed the commission that the streetlight products can have different kinds of heads, while the majority of the work is comprised of infrastructure work.

Commissioner Mirsky informed the commission that the lighting ordinance impacts public crossings, which are in the right of way, and taking into account concerns from Councilmembers. Councilmembers Hayner and Eaton discussed public concerns of over-bright streetlights.

Chair Appleyard informed the commission that students of Pioneer High School would like to present on needs for proper lighting in street areas.

Councilmember Eaton informed the commission that the proposed budget includes additional funding for pedestrian safety, and that there will be additional opportunities for lighting purchasing.

Energy Audit Disclosure Ordinance

Staff MacDonald informed the commission that the subcommittee has removed ordinances from Portland, OR, Austin, TX, and Minneapolis, MN and deciding which city to use as a framework for the ordinance. Chair Appleyard and Commissioner Mirsky discussed reasoning for using Portland, OR as a framework.

EV Readiness Ordinance

Chair Appleyard informed the commission that a preliminary draft has been started for where to add columns into the existing parking ordinance, and is in the process of putting together definitions and deciding percentages for parking tables. Chair Appleyard discussed putting together material with Commissioner Mirsky.

Outreach to Schools

No update

Report from Environmental Commission

Commissioner Mirsky informed the commission that materials are posted to Legistar. Commissioner Mirsky informed the commission that the same budget presentation was made, and that a resolution in support of the budget was passed. Commissioner Mirsky informed the commission that information was presented on the Solid Waste Management Plan update, including: (1) a summary of tonnages from 2013 – 2018, and the resulting diversion rates by sector, showing that the diversion rate has had a flat trend, (2) a cost of services analysis, (3) an audit of Rumpke, which processes community-wide recyclables, including residuals, which has decreased to metric under RAA's contract, information from the solid waste residential survey, and (4) service expansion options for residential, commercial, and alleyways, which were reviewed at the last advisory meeting, sorted, and are being weighed against costs (per ton and absolute). A key take-away includes highly favoring year-round residential composting and commercial organic collections, strong support for 7-day collection for alleyways. RAA has made a formal written proposal to the City to re-activate the MRF, and it is anticipated that there will be meetings to iterate or decide upon an action. Councilmember Eaton discussed analyzing the greenhouse gas impact of additional collection truck

running year-round and the savings from composting. Commissioner Mirsky informed the commission that winter season compost collecting would occur less frequently.

PUBLIC INPUT

A resident discussed that the Office of Sustainability and Innovation workplan was creative and flexible using partnerships and grant funding, wise use of rebate funds. They stated that a 25-35% community reductions goal by 2025 was fantastic, but that it was evident that even if the workplan was extend for 5 years, those emission goals would not be reached. They discussed large amounts of Scope 3 emissions.

Commissioner Mirsky informed the resident that the next Energy Commission meeting will have an update on the GHG emissions inventory, including a rough estimate of forecasting for municipal and community emissions.

Chair Appleyard discussed that the proposed programs are a good start. Chair Appleyard discussed that cities like Boulder, CO spend more money per person on climate impact. Chair Appleyard discussed the Power Hours, which resulted in increased solar installation contracts, and that community engagement actions can have an impact on GHG emissions.

Councilmember Hayner discussed city expenditure flow on a per capita basis, and that Ann Arbor spends more per capita relative to peer cities, though the balance may be different based on budget areas. Councilmember Hayner discussed non-tax paying entities and millages supporting priorities. Councilmember Hayner discussed that he is interested in estimating per capita consumption for comparisons.

Commissioner Mirsky discussed that Ann Arbor has peer cities relative to economic development, including Boulder, CO, and Grand Rapids. Commissioner Mirsky discussed not only looking at performance indicators on a financial perspective, but also other outcomes for comparison, as other competitive entities would.

ITEMS FOR NEXT AGENDA

ADJOURNMENT

Chair Appleyard adjourned the meeting at 8:03 PM.

All persons are encouraged to participate in public meetings. Citizens requiring translation or sign language services or other reasonable accommodations may contact the City Clerk's office at 734.794.6140; via e-mail to: cityclerk@a2gov.org; or by written request addressed and mailed or delivered to:

City Clerk's Office
301 E. Huron St.
Ann Arbor, MI 48104

Requests made with less than two business days' notice may not be able to be accommodated.

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

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