



City of Ann Arbor

301 E. Huron St.
Ann Arbor, MI 48104
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Meeting Minutes Energy Commission

Tuesday, January 10, 2012

5:30 PM

Council Chambers, City Hall, 301 E. Huron St.

CALL TO ORDER

Commissioner Appleyard called the meeting to order at 5:35 pm

ROLL CALL

Present: 12 - Charles Hookham, Wayne Appleyard, John Hieftje, David A. Wright, Joshua Long, Fulter Hong, Michael Delaney, Dina Kurz, Kenneth J. Wadland, Brigit Macomber, Cliff Williams, and Mike Shriberg

APPROVAL OF AGENDA

Approved unanimously on a voice vote

APPROVAL OF MINUTES

Approved unanimously on a voice vote

Energy Commission November 8, 2011 Minutes

Energy Commission December 13, 2011 Minutes

PUBLIC INPUT

No public input

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Staff (Brix): Last night City Council took final action of accepting application fees for PACE, and applications are now ready for full review.

Hieftje: Council members are excited and want to generate more excitement as Ann Arbor will be the first city in Michigan with a PACE program.

Brix: We are building a contractor network, who will then talk to more business owners, and we will continue to push out information during each step of the PACE roll-out.

Hookham: Expected timeline with getting residential buildings into PACE?

Brix: The hold-up has to do with there not being state enabling legislation.

Appleyard: It should be noted that housing with three or more units do qualify for PACE.

Shriberg: What will the PACE fees be?

Brix: It is about \$650 as it stands currently, which for \$50-\$100,000 projects is pretty good. We have to do deed requests and other searches and so the cost is mostly pass through expenses that we need to obtain necessary information. The current grant helping to establish PACE runs through September, so that is the timeline for getting the first group of applications through.

Appleyard: One bit of news from Consumers Energy, they announced they are cancelling an 800 plus megawatt coal plant, and will close seven of their coal-fire plants by 2015, while updating five others. They expect a 90% reduction in air emissions, as they will be upping wind energy at the same time. Solar PV in Germany is now at 17,000 megawatts. Sixty percent of the installed wattage is for individual homes. Germany is about 6% solar and around 20% renewable in all.

SMART METER UPDATE - DTE ENERGY

The name of the program is Smart Currents. DTE has installed over 600,000 meters in Oakland County. Started in Gross Isle in 2008. Gas meter reading, through an added module, will also be possible with Smart Currents. We expect to start in Ann Arbor around mid-February, with letters going out to residents soon. This process will not entail any added surcharges to customers. No longer will a meter reader (person) be sent out. Over the course of time we want to replace all electric and gas meters. Ann Arbor already uses AMI readers for water bills/

Williams: What is the estimated cost savings to DTE from the smart meters?

Bob Sitkauskas: Each meter will get us about 20 year of savings - payback is around the 13-14 year mark. Timing and ability to get them out quickly impacts payback time. Meter data is available the next day, so not truly "real time". Target was to have project complete by June, as we are using DOE funds.

Video presentation. Available at: <http://www.youtube.com/watch?v=vtzH1TPEmXE&lr=1>
www.dteenergy.com/smartcurrents has additional information

Bob Sitkauskas: Ontario has completed about 98% conversion to smart metering. 30 million smart meters in Europe - not a new technology.

Brian Moccia: Both a third party cellular network and technologies in our service territories relay the data. "Cell Collectors" communicate the information. So a wireless network through the neighborhood establishes the data transfer. This will help change our core business practices (eliminates estimated or physical meter reading). We are reading 99.7% of these meters - much improving our accuracy. Customers will be able to view their own usage data (hourly intervals). We have ability to remotely connect/disconnect, which is helpful in a place like Ann Arbor with the University starting and stopping

different facilities. This will eventually enable different pricing options for customers. AMI meters give us fast outage information to improve response times. Instead of one data point per month, we will have hourly consumption information, allowing customer to better manage their energy use. New smart appliances will further enable savings.

Mary Murray: AMI allows us to test new products and services. Time of use rates will be possible to shift customers use of energy to less costly (non-peak) times. In home displays will allow customers to see what is using more energy. Laundry equipment and things like dishwashers can start-up at optimal times. We are opening a demonstration center soon, featuring these emerging technologies.

Bob Sitkauskas: Some meters have been digital for a long time, these are different (white face meters are digital only, powder blue are smart). Disconnect switches in place to assist police/fire situations. The switch will be gradual (may have one side converted and the other not, if they are on different circuits). Modules and meters are manufactured in the U.S.

Macomber: Are the smart appliances you mentioned, available? (DTE response: they are in test stage still and most are not quite ready. DTE will not be providing these appliances or controlling how customers choose to use them. The thermostats are a lot closer.

Wadland: Will you be notifying each customer when the meters are coming to their house?

Bob Sitkauskas: Yes, every home will get a letter, a brochure, and installers will knock on the door and leave a hanger notifying them that the work was complete or if there were any issues.

Shriberg: Are these new pricing systems in place (lower off-peak rates)?

Bob Sitkauskas: DTE has 50 different rates today (Cool Currents one example). We are just piloting in Oakland County now to see how it goes.

Long: Are there going to be improvements in aggregating usage data, say for the whole city, or several blocks worth - for planning purposes?

Bob Sitkauskas: Right now nothing in the works.

Long: If AMIs are sending the data to these hubs, the anonymity of customers is protected.

Bob Sitkauskas: Hubs still send the individual meter information, so in terms of providing the data, I have to be cautious. Twice a day we get the data from the meters.

Brix: What level of detail would a customer be able to see (their own usage)? (Hourly confirmed.)

Bob Sitkauskas: An employee of DTE using AMI found his old dehumidifier was really responsible for high nighttime usage. Good at catching these things people accidentally overlook.

Macomber: The second meter for the air conditioning (Cool Currents) rate may not be necessary in the future. (DTE confirms no plans to discontinue Cool Currents.)

Long: Will shutoff fees be reduced since you don't have to send a person out. (DTE: MPSC sets these.)

Hookham: How secure is the third party wireless system?

Bob Sitkauskas: Data encrypted. Our vendors track and report back frequently and do as good a job as possible.

GREEN RENTAL HOUSING GRANT UPDATE

Brix: Very little additional info to share at this point. The County applied for a HUD grant two years ago. They tweaked it and it's been provisionally accepted by HUD. In this are \$250,000 for greening rental housing in Ann Arbor, Ypsilanti, and the Universities. County and HUD still have to work out details - expecting March for a signed agreement.

Energy Commission Appointee to Environmental Commission (Agenda addition)

Wright: Back at the November meeting I asked if an Energy Commissioner would be interested in replacing me as the representative on the Environmental Commission. Commissioner Williams expressed interest and if there are no objections I would like to move his appointment.

Hieftje: The best thing for this purpose would be a resolution, which I will move. (Wright seconds.)

COMMISSION WORK PLAN UPDATES

Energy Kits

Hong: We are modeling this off a program in Australia, as a way to update the energy kits we provide the district library. I've secured funding for appropriate hardware, and have a call set-up with someone with the Australia program to go over things. Commissioner Delany is also involved and any other interested commissioners are welcome (Appleyard confirmed he would like to assist.)

Rental Housing

Macomber: We are setting up a meeting soon.

Energy Production

Wadland: Next meeting tentatively set for January 24 at 5:30 pm (second floor workroom, City Hall).

Renewable Energy Access

Wright: We need to do some brainstorming first, to help put together a work plan.

Appleyard: DTE is reviewing a re-do of Solar Currents and I plan to go and speak with them about this, and will be joined by Commissioner Williams. Consumers Energy dropped their solar rate paid out to solar users, from \$0.56/kWh to half that, though installed cost of solar going down (Wright confirmed they were oversubscribed for the first 500 kilowatts, even at the reduced price - still driving development.)

PUBLIC INPUT

No public input

ITEMS FOR NEXT AGENDA

Brix: Regional transportation efforts update from Eli Cooper.

ADJOURNMENT

The meeting adjourned at 6:34pm

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