

ANN ARBOR'S SUSTAINABLE ENERGY UTILITY

Public Meeting 10/28/2021

Sustainable Energy Utility



VISION

A 100% renewably-powered, reliable, local, shared, and publicly owned energy utility; built by the community for the community.



Objectives for a SEU



6 OBJECTIVES

1. Shift our energy system from carbon intensive energy sources to carbon-free energy sources as outlined in A²ZERO.
2. Find solutions commensurate with the pace necessary to achieve a just transition to community-wide carbon neutrality by 2030.
3. Create a customer-centric model that empowers people and businesses—regardless of their size or location-- to have choice in meeting their energy needs.



Objectives for a SEU Cont.



4. Center the needs of low-income and historically under-represented groups in the energy system and ensure they have access to programs that improve comfort, affordability, and sustainability.
5. Move away from viewing energy as a commodity to viewing energy as a service.
6. Improve our energy system's reliability and resilience by lowering our dependence on a single grid.



What services could a SEU offer?



- **Solar and energy storage** to improve reliability during power outages.
- **Microgrids** between neighboring households, to share solar and storage.
- Robust **energy waste reduction** (efficiency) programs and rebates to support residents – even those who don't own their dwellings -- with improving indoor comfort, health, and safety, all while saving money.
- **On-bill financing** to help lower the costs and increase the flexibility of paying for our clean energy transition.



What services could a SEU offer Cont.?



- **District level geothermal systems** so that neighbors can jointly tap into the earth to heat and cool their homes and businesses.
- **Community solar** programs that allow neighboring residents to benefit from solar installed at community centers, in parks, or in shared areas around the City.
- Support for **beneficial electrification** and associated training and rebate programs to help people transition to cleaner and safer all-electric homes and businesses.
- **Energy justice initiatives**, including broad and deep access to renewable energy, the creation of programs for low-income and underserved residents, and the expansion of weatherization services.



What is a SEU?



A SEU focuses on local generation. It would:

- Invest **immediately** in local clean energy **generation** from things such as solar and energy storage.
- Help many more Ann Arborites access the benefits of clean energy and support energy waste reduction.
- **Not** focus on buying existing poles and wires from an incumbent utility but install limited additional poles and wires for micro-and nano grids.
- Focus on reliability, resilience, local, clean energy generation



How a SEU aligns with our 2030 Goal & Energy Criteria and Principles



ENERGY CRITERIA AND PRINCIPLES	SUSTAINABLE ENERGY UTILITY
Reduce GHG Emissions	Excellent
Additionality	Excellent
Equity and Justice	Good
Enhance Resilience and Reliability	Excellent
Start Local	Excellent
Speed	Excellent
Scalable and Transferable	Excellent
Cost Effective	Good

Administering a SEU



- An Ann Arbor SEU could leverage contractors for installation and maintenance of the physical infrastructure of the utility
- Billing and customer service could be handled in whole or large-part by the City or through contracts with existing utilities
- Creation and overall management would be handled by the City
 - Provides significant flexibility
 - Easily adjust offerings and services to reflect the needs of the community as well as changing technology.



STEPS TO ESTABLISHING A SEU

Next Steps



1. Assess interest from residents in joining the SEU, creating a waitlist (recommended).
2. Complete a rate analysis (recommended).
3. Determine governance structure and staffing needs (required)
4. Pass an ordinance by Council providing for the creation of a SEU (required).
5. Depending on the funding or financing mechanisms, a vote of the people may be needed. (If the SEU is funded solely through grants, philanthropy, or other methods that don't involve borrowing or taxation, a vote of the people would not be necessary).



***ANN ARBOR SUSTAINABLE
ENERGY UTILITY:***

***CLEAN, FAST, LOCAL, RELIABLE, &
AFFORDABLE ENERGY***

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