

City of Ann Arbor

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

Meeting Minutes

Energy Commission

Tuesday, January 12, 2016

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 just after 6 PM.

ROLL CALL

Present: 10 - Charles Hookham, Kim Wolske, Brigit Macomber, Mike Shriberg, Mark

Clevey, Shoshannah Lenski, Stephen Raiman, Wayne Appleyard, Kenneth

J. Wadland, and Noah Levin

Absent: 1 - Chip Smith

APPROVAL OF AGENDA

Commissioner Raiman proposed one change to the agenda, which was to shift the CCL Support Resolution item up in the order. Chair Appleyard put the amended agenda up for a voice vote and all commissioners approved the agenda as revised.

APPROVAL OF MINUTES

Motion by Commissioner Wadland to approve the minutes, seconded by Commissioner Clevey, approved unanimously on a voice vote.

<u>16-0352</u> Energy Commission Minutes 11-10-15

Attachments: Energy Commission Minutes 11-10-15.pdf

Approved by the Commission and forwarded to the City Council due back on 3/21/2016

PUBLIC INPUT

A representative of the Women's International League for Peace & Freedom provided a pamphlet about the organization and about how climate change differentially impacts women, and also introduced herself and her interest in local efforts after having attended the COP21 in Paris.

ENERGY REPORT - NEWS FROM THE ENERGY OFFICE AND COMMISSIONERS

Geisler noted that there is a new setup to Council Chambers, and asked the other commissioners for feedback. Commissioner Wolske said that the chairs are not adjustable and are too low to the ground to see over the monitors.

Geisler also asked for completed Oath of Office cards from any commissioners that had been appointed or reappointed in 2016, as the City Clerk's Office needs those cards.

Geisler noted that Commissioner Shriberg and two other members of the A2 Climate Partnership delivered an update to City Council on January 4th regarding progress made on the Climate Action Plan (CAP), while a similar update was delivered at the Sustainability Forum on January 7th at the downtown branch of AADL. The driving point of both presentations was that more resources and investment are needed to meet CAP goals. Other takeaways are that the City is launching the second phase of the community biodigester project, with more information coming soon, and that GHG and consumption data will be available shortly. Geisler said there will be more three more Sustainability Forums, on the first Thursdays of February, March, and April.

Chair Appleyard added that the federal government renewed the solar and wind tax credits, which will result in more installations in the years ahead. The solar credit will stay at its current level through 2019, drop incrementally through 2021, and stay at 10 percent thereafter, while the wind credit will drop 20% in 2017 and drop by an additional 20% each year through 2020. Chair Appleyard also shared a figure he came across, that more Americans now work in the solar industry than in the gas and oil industries combined.

<u>16-0305</u>

Resolution to Support the Carbon Fee and Dividend Plan Proposed by the Citizens' Climate Lobby

Commissioner Raiman discussed a tour he went of the FERMI nuclear plant during which time he asked DTE what might encourage them to shift away from fossil fuels. DTE responded that when the price of fossil fuels increases for them, other sources become more attractive. Commissioner Raiman said that their response is a good argument for the Citizen Climate Lobby's (CCL) carbon fee and dividend proposal.

Commissioner Lenski read the corresponding pledge language aloud.

After it was read, Chair Appleyard asked if any of the commissioners had any questions or wanted to propose any changes or share thoughts about the pledge / proposal.

Commissioner Hookham expressed concern over the proposal in terms of the potential for complicated, onerous, and costly administrative and implementation realities and over possible negative interaction effects with the Clean Power Plan. Chair Appleyard asked if Commissioner Hookham might in that case elaborate on some alternatives. Commissioner Hookham said he could not quickly summarize those but that better options would offer a more incremental transition to clean energy and be more collaborative rather than out to punish.

Commissioner Shriberg said that there is some consensus among economists that a carbon tax would be efficient and effective and account for the true social cost of carbon, and that the City of Ann Arbor should be a progressive voice regardless of political difficulties with passing legislation such as the CCL proposal. Commissioner Shriberg further explained that under the CCL

proposal, carbon would be regulated at two critical points: at the point of extraction and at the point of import, with the latter being more difficult and requiring calculations to estimate embedded carbon.

Commissioner Hookham asked Ginny Roberts, a representative of the CCL's Ann Arbor chapter present at the meeting, whether the proposal is intended to displace the Clean Power Plan and whether economic modeling of the proposal has been done.

Roberts explained that the CCL proposal is completely separate from the Clean Power Plan and that economic modeling has been done – a company called Regional Economic Models, Inc., modeled impacts on different sectors, and the corresponding report is available on the CCL website. Commissioner Raiman added that the report addresses how the proposal would be administrated / implemented, and that overhead costs are relatively minor.

Commissioner Lenski pointed out that the CCL proposal would be a carbon fix economy-wide whereas the Clean Power Plan is more narrow in scope.

Chair Appleyard made the case for doing both the Clean Power Plan and the CCL proposal, as the former does not address transportation while the latter does. However, he admitted that the dividend component of the proposal is potentially problematic, such as how to ensure that payouts are equitable and that the payout process is not onerous or messy.

Through discussion, the commissioners and chair arrived at three changes to the language of the pledge. Those are:

- (1) After the third whereas: "fossil fuel combustion accounts for more than 60% of GHG emissions in the U.S.".
- (2) After the fifth whereas: "a carbon fee aims to account for the societal cost of carbon pollution".
- (3) Two sections below that: removing "and other greenhouse gasses".

Chair Appleyard put the amended pledge up for a vote. Commissioner Hookham voted against while the other commissioners voted in favor.

Appointment of Chair, Vice Chair and Liaison to Environmental Commission

Commissioner Macomber nominated Chair Appleyard to continue as Chair of the Energy Commission as well as Liaison to the Environmental Commission, and Commissioner Clevey to continue as Vice Chair of the Energy Commission.

Commissioner Wadland seconded.

No other nominations were made.

Chair Appleyard put the proposal to a vote, with all commissioners voting in favor.

Bulk Buy

Geisler said that a call with Midwest Renewable Energy Association (MREA) is forthcoming. The organization has worked some on "solarize" programs in the region.

Chair Appleyard said there are a remarkable number of bulk buy solar installations in Boulder, Colorado, and that we should be able to set up a program if Wilton, Connecticut – a town of only 18,000 – can do so.

Commissioner Hookham noted that he worked in the past with a group of graduate students to map residential solar potential in Ann Arbor and can share the results with the other commissioners. Commissioner Geisler said that the City has some data on residential solar potential, available on the main of the website under "Property Information" and then "Solar Potential Map". Chair Appleyard said there has been discussion about using Geostellar to model solar potential in the area, including for commercial properties. Geisler said the NREL's PVWatts is another basic but useful tool for such calculations.

COMMITTEE UPDATES

Climate Action Plan

Chair Appleyard said that an annual presentation to City Council on CAP progress might be worth considering.

Commissioner Shriberg said that in order to achieve more through CAP, more resources, investment, and support are needed. He added that it is impressive how much has been accomplished with such few resources, but peer cities are doing more, City Council said this is one of their priorities, and funding and other support should reflect that.

Community Solar

Chair Appleyard said we should rename this as the Solar subcommittee, which Commissioner Clevey has been spearheading.

Commissioner Clevey gave an update, saying that, with the help of Clean Energy Coalition and Bonnie Bona, there is more clarity regarding what is needed in order to meet CAP targets – specifically, a need for 2.4 MW of photovoltaic equivalent installation each year. He said now is the time to develop proposals and begin implementing actions. The first step of that will be a community-wide solar potential analysis, to understand how much can be installed in Ann Arbor versus generated elsewhere, and a survey of solar installers, which will be completed with the help of GLREA and seek to understand what the barriers to installations are. Commissioner Clevey said help on this work would be welcomed.

Commissioner Hookham said that before too long we will run out of real estate and need to look elsewhere.

Nuclear

Commissioner Raiman delivered a presentation about a nuclear power plant (Vermont Yankee, 600 mW plant, 35% of electricity consumed and 70% of electricity generated in VT) that closed. Data was from the EIA, comparing Q1-3 of 2014 with Q1-3 of 2015. The main findings were that there was a subsequent increase in natural gas and that the sum of renewables was less than the

nuclear power generated. He said he would like to discourage such a shift to fossil fuels here.

Chair Appleyard said that one year is not enough time to determine a reliable trend, and what happens over 5 or 10 years is more important.

Commissioner Lenski said that Vermont was only considering short-term, marginal costs rather than taking a long-term perspective.

Commissioner Clevey asked if the potential increase in GHGs was discussed at all before the plant closed.

Commissioner Raiman said he did not know, but said that Tritium found in some wells worried the public. Commissioner Raiman further explained that in an NREL meta-analysis, solar and wind had the lowest lifecycle GHGs, with hydropower also low, but that shuddering an existing nuclear plant is nonsensical from a GHG perspective.

Chair Appleyard said that part of the reason the plant was shut down is that the company hid information about and denied radiation pollution, and also had some cooling towers collapse, resulting in public concern over its management. He also mentioned that the state is in the process of negotiating transmission lines for hydropower from Ontario, Canada.

Commissioner Raiman said that the idea that the company was dishonest is inaccurate and that the amount of radiation found on the premises is equivalent to that in a banana. He added that hydropower is basically maximized in the first world, meaning less of that generation will be used elsewhere.

Sustainable Funding

Chair Appleyard said this subcommittee has not met but will be meeting soon.

PUBLIC INPUT

No public input.

ITEMS FOR NEXT AGENDA

Commissioner Hookham proposed a review of the minutes from the working session.

Chair Appleyard proposed discussing green fleets as a potential subcommittee, as the policy was enacted in 2004, the landscape has changed a lot since then. Geisler said the last status update on green fleets was in 2013 for the 2012 goal year.

ADJOURNMENT

Chair Appleyard called the meeting adjourned at 7:20 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

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