



Legislation Text

File #: 24-0346, **Version:** 2

Resolution Supporting Advancement of the Ann Arbor Sustainable Energy Utility

Whereas, Ann Arbor has established a goal of community-wide carbon neutrality by the year 2030, a goal known as A²ZERO;

Whereas, One of the strategies of A²ZERO is powering the entire community with 100% renewably powered electricity;

Whereas, The City conducted numerous studies and public outreach exploring various pathways to achieve the goal of 100% renewable electricity powering the community;

Whereas, These studies identified multiple viable pathways, including the creation of the proposed Ann Arbor Sustainability Energy Utility to achieve the City's clean energy goals;

Whereas, Studies of the Sustainable Energy Utility found that it could help advance renewable energy adoption, improve electric reliability, spur local job development, and enhance resilience for Ann Arbor residents and businesses;

Whereas, Public outreach and engagement to understand the public's interest in a potential supplemental, optional, 100% renewably powered Sustainable Energy Utility found strong public support;

Whereas, The Energy Options Analysis study also recommended initiating a request for proposals for a Virtual Power Purchase Agreement to help ensure that any power not provided through the Sustainable Energy Utility, the existing State Renewable Portfolio Standard, or other offerings, is renewable, thereby ensuring the City meets the 100% renewable electricity goal;

Whereas, City staff recently sent a memorandum to City Council identifying next steps to advance the proposed Ann Arbor Sustainable Energy Utility, inclusive of taking the concept of the Sustainable Energy Utility to a vote of the public in November of 2024;

Whereas, Staff identified a vote as a meaningful way to ensure public support and a vehicle for conducting deep engagement around what the Sustainable Energy Utility is and what services it could provide;

Whereas, City staff's memorandum also included a recommendation to initiate a request for proposal process to gather market offerings and pricing related to a potential Virtual Power Purchase Agreement;

Whereas, Previous work by City staff included a working group to explore the possibility of doing a Virtual Power Reduction Agreement in Michigan and while this working group didn't find a realistic pathway forward yet, the working group did indicate that, in the future, Virtual Power Reduction

Agreements could be powerful tools in Michigan;

Resolved, The Ann Arbor Energy Commission encourage City Council to put the Sustainable Energy Utility to a vote of the people in November 2024;

Resolved, The Energy Commission recommends that any vote related to a Sustainable Energy Utility come with educational materials about what the Sustainable Energy Utility is and what services it could provide for those interested in enrolling;

Resolved, The Ann Arbor Energy Commission also support staff putting together a request for proposals to determine offerings and pricing related to a potential Virtual Power Purchase Agreement to help achieve the 100% renewable electricity goal;

Resolved, The Ann Arbor Energy Commission also supports the continued monitoring of the technical and economic feasibility of creating a Virtual Power Reduction Agreement in Michigan and, if feasible, exploring ways to integrate this tool into the City's energy future.