



**Climate Action Plan
Citizen Advisory Committee Minutes
September 18, 2014
215 N. Mason Street, Community Room
5:30 p.m. – 9:00 p.m.**

In attendance:

CAC Members: (X = present)

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|-------------------|---|-----------------|---|-------------------|---|
| Bill DeMarco | X | Harry Edwards | X | Rich Fisher | X |
| Bryan Watkins | | Holly Wright | X | Sara Frazier | X |
| Chadrick Martinez | X | John Holcombe | X | Scott Denning | X |
| Dana Villeneuve | | Kellie Falbo | | Stacey Clark | X |
| Dianne Ewing | X | Stacey Baumgarn | X | Suraj Renganathan | |
| Eric Levine | X | Mark Easter | X | Tom Ghidossi | X |
| Glen Colton | X | Mike Freeman | | Yvonne Myers | X |
| | | Olivia Stowell | X | | |

CAC Alternates: Hunter Buffington

Staff: Steve Catanach, John Phelan, Kathy Collier, Lucinda Smith, Emily Wilmsen, Alexis Hmielak, Paul Sizemore, Michelle Finchum, Bruce Hendee, Cassi Nichols

Consultants: Judy Dorsey and Becky Fedak - Brendle Group. Martha Campbell – RMI (via phone)

Citizen Representatives: Scott Denning, Bill DeMarco, Dianne Ewing, Mark Easter, Olivia Stowell, Eric Levine, John Holcomb, Chad Martinez, Hunter Buffington, Rich Fisher, Holly Wright, Glen Colton, Stacy Clark, Tom Ghidossi, Harry Edwards, Sara Frasier, Stacey Baumgarn, Yvonne Myers

Guests: Mark Haudeshelt, Kevin Jones

Public Comment and Announcements

- Mark Haudeshelt wanted to be sure that any tactics decided upon in this process were not de-emphasized because they are things Council will use to determine what they need to do. Also, if any fiscal incentives are in the tactics, they will also affect the cost analysis.
 - Lucinda Smith explained that the Rocky Mountain Institute, RMI, was working on the tactics for many of the areas being discussed and connecting them with what the Brendle Group is working on.
 - Martha Campbell from RMI explained they will be doing extensive research on many tactics including the recommended things that would require political decision making.

- Lucinda Smith announced that, because of work conflicts, Francie Martinez from the Fort Collins Board of Realtors had to drop off of the committee, but two individuals are interested filing that seat.
- Lucinda Smith gave everyone a copy of the Guiding Principles that the group finalized and agreed upon.
- Regarding financing any projects the group decided on Lucinda Smith pointed out that citizens can also weigh in with City Council regarding the BFO process and the BOB financing that goes to the voters.

Approval of August Minutes

- Mark Easter made a correction regarding taking coal out of use as an energy source, replacing it with natural gas and having the metrics show the coal has been eliminated from use elsewhere.
- Bill DeMarco moved and Mark Easter seconded a motion to approve the August 27, 2014 minutes as amended. **Motion passed unanimously.**

Review Preliminary Strategy Analysis/ Targets

- Becky Fedak gave a more in depth discussion regarding strategies and handed out a preliminary analysis for the different strategies and asked for feedback from the group.
- Feedback:
 - It is confusing that increasing residential energy efficiency is one of the highest costs because the cost of natural gas is higher. The consultants will do more research on this.
 - The City's Green Building program is for new buildings, there needs to be energy reductions for current buildings.
 - Research is currently accounting for the dominance of coal but as the electricity supply is cleaned up, there will be more detailed analysis about phasing out coal.
 - Retitle the title of the last column to be a "benefit" not a "cost, to show that so you get more credit.
 - Need clarification in the "high, medium and low for emissions potential" to show it is relative to the total, not relative to itself.
 - RMI will be working with the group regarding specific tactics regarding more density and reduction.
 - Would like better description of what FortZED is and its part in this research.
 - What does committee think of looking at research through the eyes of the public?
 - It's hard to understand because it is not a marketing document. Perhaps add examples and clarify terms.
 - What feedback does the committee want from the public?
 - Would be nice for public to get a glimpse of this before it's too far along.
 - Would be helpful to show the level of intensity and penetration.
 - Need to re-order things on the chart to show the biggest problems at the top.
 - A modified version would be good for the public.
 - Include a definition sheet to briefly explain terms.
 - Clarify terms and charts regarding cost per carbon unit and whether the savings are annual or over time.

- Ask people what they think, without clarifiers and in more simple everyday words.
- Need to clarify what negative costs are. They save money but look opposite. Might remove high medium and low and let the colors speak for themselves.
 - Include the words savings and costs so people can see the difference
 - Be clear who is bearing the cost and who is saving.
- Break out the difference between what the city does, what does a business does and what a citizen does.
- Add what is required of the citizen to help bring it home to them better
- Maybe use video to show “a day in the life of” to point out what is substantially different with this scenario and how will it impact them in the future.

Preliminary sector wedge diagram

- Addressed what reductions will happen without CAP.
 - All the strategies are from the table with actual emissions and show what kind of emissions are being reduced.
 - There is still a gap. Consultants will refine strategies to figure out what to move. They will also work with PRPA on this.
 - In order for city to meet goal, it may require more renewables. The consultants have not thoroughly analyzed this yet.
- Feedback
 - Suggest showing what PRPA hasn’t adopted yet but is still in progress.
 - What would be included in industrial BAU as wedge?
 - Like seeing the café curve.
 - Color in chart is hard to read. Need better definition of some of the lines
 - Chart should include big adjustments that are being done and what actions need to be adopted.
 - Show colors as they are currently and then show what we expect to happen with them all in to show how much effort is in it to change.
 - Left side of graph is what makes it up. The right side of graph shows what improves it.
 - Have a different kind of graph showing how things reduce. Have another graph showing where we end up.
 - It would be helpful for public to see what energy is residential, business, and industrial and the impact and responsibility to them as a homeowner. Also where the gaps are.

Preliminary Sector Targets – Becky Fedak

- Becky Fedak presented a chart on Sector Targets and asked feedback about identifying strategies to address the gaps. She also asked for feedback about which areas do we need to fill in and which areas aren’t carrying their weight.
- Feedback:
 - There is confusion why there is information for 2050 but our strategies only go to 2030.
 - Council asked to be carbon neutral by 2050. It might be important to go out that far but we will have to decide if all the analysis can go to 2050.

- It isn't obvious if these numbers are plotted on the curve. The curve has the value of getting the message to the public but suggested showing the difference between what is projected and what is required. The public can relate to that.
- Regarding the economic analysis to 2050 we are looking at higher capital investment for fuel savings. The figures go positive from initial investment to where the savings kick in. The economic analysis will carry that further.
- The numbers are hard to understand. Suggest doing them as cumulative forecast which will map better to the picture we have.

Presentation on “Integrated Utility Services” Model

- John Phelan addressed how Utilities is working to change the way it delivers energy efficiency and renewables.
- Discussion
 - On-bill financing: Utilities is looking at more flexible models to transfer a loan to next customer and also third party capital for this so that people who get the benefits are the ones that pay the bill. They hope to do pilot next year to lay groundwork with delivery model.
 - Another goal is to make efficiency become the norm. This would include helping make it easy for people to incorporate solar.
 - Xcel Energy is PUC regulated and therefore cannot customize their billing for one community.
 - It would be complicated to have an investor pay for additional green building design and recoup it from tenants.

Introduce: Wedge analysis, scenario outlines and definitions

- The group began discussing these concepts that were introduced last month which included questions, other ideas and potential characteristics .
 - Suggested doing things incrementally and starting sooner.
 - Some strategies may work well if you do them every year. Some don't have a time limitation.
 - Put strategies in the order from the ones that save you the most money to those who cost you a lot of money. Make it so those that save pay for the ones that cost.
 - If you don't package it well, people will opt out of higher cost items. Order them as a scenario package and compare savings with cost.
 - When looking at uncertainty, categorize financial risks to achieve the goal.
 - Determine which sectors are involved in each scenario.
 - Some things don't have many externalities, such as increasing efficiency or switching from coal to natural gas. However, natural gas may be just as bad as coal if you consider fracking.
 - Need to determine what is environmental impact of producing solar panels or wind turbines. Be sure not to push their environmental impact out somewhere else and, if so, state where it is being pushed. Be sure it is stated in the Triple Bottom Line.
 - Need to be mindful of how to create behavior change. How will people feel with a mandate vs incentive? Be careful when building the case.
 - What does it mean in the big picture.
 - Need to also talk about job creation at the strategy level.

- Be sure there is no double counting

Discuss Key Questions

- Strategy Evaluation Criteria discussion – How should the group evaluate the proposed strategies.
 - Mark Easter shared his viewpoint that the report seems to revolve around 4 key principles:
 - Additionality
 - Doing something that no one is doing
 - Adding benefit to the issue
 - Permanence
 - Little to no risk
 - Improvements will not be undone in future
 - Leakage
 - If you do something you don't just squeeze the balloon and force the problem elsewhere.
 - Verifiability
 - How can we be sure it will go forward
 - Do due diligence to verify the emission reduction is real into the future
 - Lucinda asked if the group want to include some or all of these suggestions
 - Lucinda stated another part of verifiability is also the cost part of it. In the past we tracked progress, looking at the entire emissions inventory, trying to quantify some of the reduction strategies in terms of actual measurement . We will still use total GHG inventory as a benchmark. It is not possible to verify each detail and tactic.
 - Trying to measure what didn't occur, proving additionality is difficult. Adding these 4 principles keeps you from playing games –
 - They are a good contribution to evaluating strategies
 - Make sure the cost of doing something can be verified year in and year out.
 - This might be a useful way to filter ideas before we put them in the chart.
 - How can you be innovative if all strategies have to be proven?
 - You can't verify behavior change or educational aspects.
 - When things change, verifiability allows you to dump things not working
 - Be sure to keep in mind how to measure things going forward.
 - How do they tie into TBL?
- Evaluate Criteria
 - Basic education that might lead to behavior change
 - Keeping people engaged
 - What are dis-incentives to take action
- Role of Mandates in the Plan
 Examples of possible mandates were given to seed to the conversation:
 - Trash haulers required to pick up organics
 - Rental licensing
 - Energy disclosure or mandated energy retrofits

- Building codes
- Mandates discussion:
 - Need for mandates is a function of the issue.;
 - “It depends.”
 - In some cases, there may not be ways to use engagements or incentives. – Use incentives and education first and mandates or regulation as last resort
 - Consider grants and aid for those who don’t have resources to do mandates.
 - Need education first to build support for regulations, then regulation easier to swallow – in businesses – some businesses might struggle – need to address the goals –
 - Can’t get to the goal without some regulation.
 - Need the full spectrum of approaches.
 - Regulation is easier to swallow if everyone is affected by it.
 - Be careful with regulations or new mandates on existing buildings.
 - Keep in mind that regulation is already a way of life, much is regulated.
 - Fort Collins has a reputation of being a regulation city. If we have too many regulations businesses may go elsewhere and take their carbon emissions with them.
 - Use of mandates for existing building could be a problem for affordable housing because of rent caps on affordable units.
 - Need to evaluate mitigating risk with regulation. If the rules change every year, how can I create something that’s sustainable?
- Climate Action Plan contents/outline discussion
 - Include TBL
 - Include near-term implementation
 - Climate preparedness is confusing. How are we going to do that?
 - Cities are starting to bring climate preparedness and mitigation plans together.
 - Need to also talk about water also if we’re addressing climate change, especially here in the arid west.
 - There is a relationship between energy and water. However our Climate Action Plan will not be a water supply management plan.
 - From the education point of view, the impact of water scarcity is important for people to understand.
 - Higher temperatures will also affect things like transportation.
 - Be careful not to believe that, as emissions curve approaches 2050, all problems are solved.
 - What obligation does the city have to do address climate preparedness?
 - The city is looking at adaptation planning with an eye to create a community adaption plan. The Climate Action Plan is one way to raise the issue and address how actions that mitigate carbon will help make us more prepared for climate change.
 - What is effect will the Climate Action Plan Plan be on public health?
 - Public health will be impacted by change in climate and the Climate Action Plan can call that out.
 - It is important to have transparency in the plan to inform homeowners what will be expected of them.

Next Step:

- **Possible Subcommittees Formation**
- Let Lucinda know if you want to join the following groups:
 - Public engagement - How to engage the public.
 - Glen Colton, Stacy Baumgarn, Scott Denning, Bill DeMarco
 - Energy/buildings
 - Chad Martinez, Rich Fisher, Tom Ghidossi
 - Transportation
 - Land Use/Cross Cutting
 - Mark Easter
 - Other

DRAFT