



Fort Collins Climate Task Force

May 1, 2008
215 North Mason, Community Room
MEETING MINUTES



Present:

Board Members and Alternates

John Bleem	P			Garry Steen	P
William Farland	P	Blue Hovatter	P	Norm Weaver	P
Bill Franzen	P	Jeff Lebesch	P	Steve Wolley	P
Phil Friedman	P	Eric Levine	P		
Stephen Gillette	P	Liz Pruessner	P		

Others present: Art Bavoso, Facilitator

Judy Dorsey, The Brendle Group

Lucinda Smith, Natural Resources Department

Ana Arias, Natural Resources Department

Eric Sutherland, citizen

John Peacock, FLAG Rail

Public Input

Eric Sutherland addressed the CTF regarding RECs (renewable energy certificates). He asked the task force what value they see in RECs. Bill Farland responded that the group is still discussing them but they had presumed the RECs were purchased under a reputable situation. While they are not ideal because they are not local, RECs are an investment into national renewable resources. Eric discussed the ill effects of RECs including perpetuating the misperception that greenhouse gas emissions are actually dealt with via RECs. He said improved transparency would help improve the situation and that Fort Collins has an opportunity now to make a difference in the national debate about RECs.

John Peacock, a representative of FLAG Rail (Fort Collins, Loveland and Greeley) briefly described the proposed regional rail system and left a copy of the proposal for the CTF.

Task Force Member Input

Blue discussed the CTF update to the Chamber Legislative Affairs Committee that he attended with Lucinda on April 4.

Eric said that Alabama Light and Power has plans to provide smart meters to every home in Alabama by the end of 2009.

Minutes Approval

Steve moved to approve the minutes from March 31. Stephen seconded.

The task force unanimously voted to approve the March 31, 2008 minutes.

Longer-term Measures Discussion

Lucinda briefly summarized the list of longer-term strategies that had been compiled and asked for comments. Eric asked about the price of RECs. Long-term RECs are \$11/MW for long term contracts; some are \$6/MW(short-term contracts). John B said solar RECs are running about \$250/MW.

The CTF provided input to the list of long-term measures and ended up modifying it as shown below:

TRANSPORTATION

- Funding for TDM Strategies in Transportation Plans (i.e., Benefit of enhanced travel corridors) – increase focus on transit in discussion; seek specific goal (125% of current funding??) based on MM
- Develop (Community) Partnerships to Reduce Vehicle Travel
- Parking Management (i.e., *Downtown Parking District to Optimize the Parking Resource and Reduce Pollution and Congestion; add role of parking garages*)
- Increase Efficiency of City Government Fleet

LAND USE

- Implement Land Use Code Changes That Support Greenhouse Gas Emissions Reductions
 - Benefit of enhanced travel corridors
 - Support Infill and Refill Development
 - LEED for Neighborhoods
 - Promote Transit-Oriented Development
 - Require New Developments to have Less Travel Demand than Comparable Existing Devs – development fees based on rating system?

ENERGY

- Fort ZED (beyond just “jumpstart zone” existing funding)
- Promote SmartGrid Evolution
- Expand Awareness of Existing Net Metering Program (keep door open to alt energy sources)
- Promote Plug-In hybrids and Vehicle-to-Grid Applications

GREEN BUILDING

- Green /Energy Efficiency Requirements for new building in City limits (i.e. right-size AC systems)
 - GEO task force on standard energy rating system
- Require Green Building as a Prerequisite for Public Financing
- Net Zero Ready New Homes
- Promote Homes Using Alt Energy

FORESTRY

- Promote Tree Planting

MULTI-DIMENSIONAL

~~GHG incubator, include monitoring and public review~~

~~—add City SMS~~

Community education – raise awareness about a number of issues (conservation, peak oil)

Civic Engagement -Strong education component

GHG Incubator = actual business incubator (Possible state matching funds)

Dovetails w/ CEC and CSU engines lab

Public Review/Update – idea to assign existing boards

Involvement of ALL City depts. (SMS concept, ISO 14001) – City improve org model, defining a common (carbon) filter

- Promote Climate Protection (and Adaptation) Strategies at the State, Regional and Federal Level

Judy suggested the idea of setting over-arching goals for some of the major long-term areas, such as

- Xx level of transportation funding
- XX BTU/sq foot
- XX # of trees planted
- XX amount of civic engagement.

CTF members indicated their support for this approach.

BREAK

Provisional Package Review

Lucinda quickly summarized the list of strategies contained in the Short-Term Provisional Package. The CTF then discussed the Renewable Energy/REC measure. Norm described the revised analysis and provided a handout. The original analysis (95% RECs, moving to 0% RECs in 2020) was updated to use \$70/ton CO2 for delivered wind (up from \$31/ton for delivered wind and hydro), which changed the net cost-effectiveness from \$24/tons CO2 to \$45/ton CO2. He prepared an alternative analysis that achieved 15% renewable energy through the purchase of 40 MW of wind, with no RECs, that cost \$70/tonCO2.

He said that at the April 22 work session, council was presented with options to buy into new wind and they didn't make any big commitments. If the City directed PRPA to buy 40MW of wind, it would raise rates by ~ 10%. The CTF is being asked for their guidance on the issue. Norm pointed out it is not trivial to achieve 15% renewable energy by 2010.

Jeff said he trusts PRPA's analysis that there are high quality RECs and points out the cost differential between RECS and delivered wind energy is 7:1, so it's in our best interest to favor REC purchase. Jeff would be comfortable going to 100% REC purchase but he knows there is some public sentiment against RECS, so he's open to some fraction of delivered wind and devaluing RECs to 80%. John Bleem asked what type of RECs are we talking about – solar RECs are 20 cents/kWh and wind RECs are only 1.5 cents/kWh.

John Bleem said that buying RECs is like buying carbon offsets. He said the actual delivered wind provides both wind energy and RECs, and coal is backed off the system. He said regional renewable energy offsets are often bought on long-term contracts.

Is it possible to have a 50:50 split to achieve 15% Re by 2010? There would be issues with backing up the wind, especially if the CTF recommends 100% delivered wind to meet the goal.

Jeff moves: 15% RE by 2010; additional 9% RE sources needed to get from current 6% to 15% be provided by at least 80% by RECS; The difference in cost between delivered wind and RECs be put into energy conservation.

Norm seconded.

Blue favors the changing to 100% one the ground renewable energy, but he could live with 40% delivered energy and 60% RECS.

Eric asked how delivered power would change Rawhide's output. John said that RECs won't change emissions coming from Rawhide or Craig, but that natural gas would be backed off elsewhere on the grid system. For actual delivered wind energy, Rawhide would be backed off, having local air quality impacts. Eric favored more delivered power and less coal burned. Norm said if we are concerned about the impacts in our own air shed, there is a reason to go in the direction of delivered energy.

Jeff suggests that it would be better to achieve more local energy efficiency and more distant GHG reductions.

Phil doesn't like the language 'at least 80% RECs'; he would prefer "no more than 80% RECs". Blue said we should use the most cost-effective method, including RECs, to achieve the 15% renewable energy goal by 2010. Let's maintain a level of REC purchases and move towards more delivered wind (80% by 2017). Blue didn't feel that more energy efficiency was needed from this measure, noting that the CTF has other measures focusing on local energy efficiency. Bill Farland said he's uncomfortable with doing it the least cost way. What's the philosophy in pushing toward local RECs as a part of the mix? Can we get 40-50% of the 15% goal with delivered energy and do the balance with RECs, to bring more local renewable energy on line (Wyoming is close enough to be considered local).

Steve asked what kind of money are we talking about to get all delivered energy for the additional 9%? John Bleem said that, roughly speaking, 9% is about 50MW, which would cost about \$9.5 million/year (a 12% rate increase on an \$80 million budget).

Judy suggested a subcommittee meeting to prepare some options for the CTF, and members volunteered.

Measure Prioritization Criteria

Lucinda asked the group if they wanted to prioritize any of the strategies, and proposed a few alternative approaches for accomplishing that. The CTF indicated they would like to prioritize things by implementation timing (short-term, mid term, long-term). She will send out a spreadsheet asking for their input.

Next meeting

May13, 2008

5:30-8:30 p.m.

215 North Mason, Community Room