



Fort Collins Climate Task Force
November 28, 2007
300 Laporte , CIC 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	A	Jeff Lebesch	P	Steve Wolley	P
Pete Hall	P				
Phil Friedman	P	Eric Levine	P		
Stephen Gillette	P	Liz Pruessner	P		

Others present: Art Bavoso, Facilitator

Judy Dorsey, The Brendle Group

Darin Atteberry, City Manager

Lucinda Smith, Natural Resources Department

Dale Adamy

Discuss Process

City Manager Darin Atteberry talked with task force members about their role and process.

Lessons learned from holiday task force included:

- Don't get out ahead of the Council.
- Stress that we're strictly advisory, not a decision making body.
- Be careful about appointed spokesperson(s).
- Figure out how to deal with the media.

Also, how can this work sync up with City departments to create internal executive ownership – not just via the interdepartmental staff Energy Management Team. Darin doesn't want to slow down or squash the task force efforts, but wants to think strategically with them about how best to achieve transformational change. Several task force members expressed their view that it is critical to have City departments aware of the ideas under consideration in advance of any public outreach. Several felt it is important to get feedback from the city Strategic Issue Team (SIT) team of upper level managers in advance of any public meeting. John suggested seeking input individually from representatives of stakeholder groups. Blue said that the outreach was intended to start taking the pulse of the community; to help gauge community response. Darin indicated it would be very difficult to hold the Council work session earlier than currently scheduled. In the end, task force members felt it was best to hold off on public outreach until after the SIT team input in late January.

Public Input

Dale Adamy addressed the board, urging them to consider social change aspects of their work. Although even the aggressive scenarios fall just short of meeting the goal, it is important to consider the politics and the social aspects. He suggested following the approach used in the past

by EVSAG to offer Council a policy packet and a social packet that identifies the social aspects of the recommendations. Dale provided the task force with a written memo of his comments.

Task Force Member Input

Jeff indicated that the Fort Collins Utility has convened a study group to re-evaluate the Electric Energy Supply Policy. He sits on that group and will share information between the two processes. John mentioned the Governor's Climate Plan. He also asked who is responsible within City staff to own each measure. He also asked, 'Who is affected by the plan?' It will be important to identify who is affected. Bill Farland echoed information about the Governor's Plan and pointed out there have been a variety of responses. He wants to be sure we don't put City Council in a bad position and somehow take into account the various reactions to the Governor's recent climate plan announcement. Eric mentioned that different levels of detail are needed for outreach to various stakeholders.

Approve Minutes

Norm moved to approve the October 29 minutes. Blue seconded.

The task force unanimously voted to approve the October 29 minutes.

Timeline/Spokesperson

The group discussed timing of public outreach. Norm is responsible for the Feb. 28 Enviro. Program Series. He has Chuch Kutcher from NREL coming to talk about climate change science and could make part (or all?) of the event available for public input on the task force process.

John Bleem moved to move public open house to Feb. 27th at Residential Environmental Program series. Blue seconded. Following discussion, all voted unanimously in favor of the motion.

Art then raised the issue of appointing a spokesperson, precipitated by great synergy with Steve and Lucinda at Fall Climate Wise fair. Yet Darin has provided cautionary words against it. So what are the group's thoughts?

Steve said that sooner or later we'll have to have someone; we'll be stuck by default with someone because it will be logistically hard for Council to interface with all 12 members. But we should be careful about who, for the reasons Darin indicated.

John said his initial reaction is that we don't need a public spokesperson because the CTF responsibility is to speak to Council, not the public. So one question is, who they would speak to? Steve responded that to clarify his point, he thought we were talking about a spokesperson to Council, not the public. Eric said the role and content of what that person says would have to be predefined by the group. Also, our group has so much diversity that he is concerned a bit about who delivers the message and how that might be taken. Blue also could see the value in having somebody who is part of the actual task group being along in certain meetings with Lucinda to provide member viewpoint, but our responsibility is not to report everything out to the

public as it is to advise Council and let them go to the public with what they want. Let them take the lead on that sort of discussion. Art offered a counter-point by asking what task force members will say if they get calls from the Coloradoan?

Bill Farland said we should all have a set of talking points that we're all in agreement with; a script of sorts. John said we need a media communications guideline - nothing too detailed or planned, but guidelines we agree to on how we're going to deal with the media. Have that conversation about media interaction with staff as well. Eric said that one of our charges is that we get public input, so we can't be a complete vacuum where we don't engage in some kind of dialogue with the public.

Phil raised two points: 1) Where it's equally important with respect to a spokesperson is in interfacing with Council. In the first go around, Jill Baron served ably in this role. Council did allow for comments from all task force members but Jill was spokesperson. 2) Somebody from this group should at least be present at various boards and public outreach to answer questions from the perspective of the task force membership versus staff.

Norm agreed with Bill's point about the value of media talking points for all; they could convey a positive sense of the work done. Pete wondered if we could have not a single spokesperson but a spokesgroup that presents next day to the public (after the work session) and answers the same questions. Steve pointed out there are several outreach events coming up soon, including boards and commissions. Is Lucinda going to do this all for us? Lucinda replied that it's not necessary to have a task force spokesperson for the internal meetings, except maybe the SIT meeting. It's more needed in the outreach meetings. Boards are covered by default of task force membership. But for the other outreach items such as the Chamber Legislative Affairs Committee, etc., it would be very helpful to have task force representation.

Art suggested there were some terminology issues: Spokesperson vs. Member Representative. Would it be easier to consider a "Member representative"? It implies the representative might change between the various meetings. Liz said yes, and that the Climate Wise Fair was a really good blending between Lucinda and Steve – and Steve was the logical representative for that audience.

Art summarized the discussion by saying that it was decided there will be no spokesperson, we'll have a script, and assigned member representation for the various planned events/meetings.

Steve asked about "Drawer Statements"; does the City already have them? They're written by people with these concerns in mind (communications, legal). Lucinda said that Kim Newcomer is working with Outreach Subcommittee, so this is a great suggestion that she can help with and come back with something for the group to consider. Eric said media involvement cuts both ways. Hopefully we'll reap some of the benefits of the Coloradoan being more responsible in the near term.

~ BREAK ~

Outreach Committee Progress

(The outreach committee is Liz, Eric, Phil, Blue, and Bill Franzen.) Lucinda read from their list of key points discussed over time. She mentioned that they had looked at each measure and begun work to identifying two key issues or points about each one. That will show up on the general write-up of the measures – the high level one intended for the public. Also, they felt it is important to be prepared to address how these recommendations compare to actions at the state level and to be upfront with the costs and don't try to hide the costs. The ways the costs are presented do matter and that needs to be worked on.

Phil added that the task force effort reflects local values. Eric said we're not making new policy; we're picking out measures to support existing policies. Also, we have to give the benefits at same time as cost and discuss the cost of inaction. Norm pointed out that Dale Adamy had just sent us the Stern Report Executive Summary. That's one way to frame this. How do our numbers stack up against the size of the local economy? Judy provided an update on a conversation with Martin Shields, CSU Economist, about size of our local economy.

John asked if we have any sense of public opinion about climate change? Beliefs and willingness to pay? Lucinda cited a 2007 air quality survey that had about 5 questions about climate, including attitudes, technology, etc. Most felt climate change is an issue. She'll share the results with the group.

Norm said that last spring/summer RW Beck surveyed public opinion on green utilities stuff. He will give a brief summary at next meeting but in brief, people are supportive of sustainability issues and the city efforts and want to see more. John B said that in '92 or '93, PRPA hired survey services and found that though respondents expressed interest at time of survey, people didn't actually step up when it was time to pay when the voluntary program rolled out. Lucinda said that could be a question posed in the public outreach - Council may want a sense of willingness to pay, though that might also be premature since the financials aren't fleshed out in detail yet. Blue said that the issue of public willingness to participate has been discussed in the Outreach Committee.

Include state-level activities in the analysis?

Judy provide a handout that listed all the State Climate Action Panel recommendations and a very preliminary assessment about which ones support (shore up) task force recommendations, which once could bring new, additional tons Co2 avoided in Fort Collins (supplemental) and which one are not applicable. She said that previously Norm had suggested that state initiatives be listed as a possible third category by the task force, and asked how they would like to handle state initiatives.

Bill said that this provides more than just "teeth" to the local effort. It also is a reality check and that fact that there are some similar recommendations corroborates what we are doing. He said that Fort Collins should not take strategies off its list even if they are also on the state list.

John asked a clarifying question about double-counting, then said that these are just recommendations that may or may not make it to legislation. Blue said some of what they do (at the state level) may not affect us. Yet, makes sense to include things from the state we might not have thought of.

Art asked if anyone was against including some state strategies. John raised a concern about the lower level of analysis and QC behind estimating GHG benefit of state actions in Fort Collins. Do we have the budget to do a comprehensive analysis? If the proposal is that this is an opportunity to get more items into our mix at the same level of analysis, then that would be good, but he wouldn't support a long list that doesn't have good analysis to support it.

Norm suggested that another idea is hold the state measures "in our hip pocket". To say we're a little short, but there is the state packet that will help, but not hold it to the same level of rigor. Judy indicated that Norm's perspective was what she was thinking.

Phil was uncertain about how these measures interact with ours. If we're counting on some of these to help us reach our goal and we don't have influence over it, then how does that affect our plan if it doesn't pass? We do have control over our package. He agreed with John's concern about apples to apples comparison in terms of % uncertainty with new measures that have higher certainty analysis.

Art asked Phil if he is okay with Norm's suggestion? Phil said yes and no; Yes, seems like a reasonable approach; No, if we say they're just gravy. But overall, he was okay with the way that Norm couched it.

Art summarized that Judy will work further on the list of state actions to assess which ones will directly affect Fort Collins, per Norm's suggestion above.

Interest in characterizing the uncertainty about the measures?

Lucinda asked the group if they have any concerns about an effort to try to characterize a level of uncertainty – not measure by measure but by a total. She feels there is some usefulness in acknowledging this is not a precise number. Should The Brendle Group try to calculate that?

Jeff said no, The Brendle Group's time could probably be spent more productively than trying to whittle that down. Bill said it's worth not doing something for each measure but developing a statement that characterizes the nature and suggests that there are two issues: variability and uncertainty. From a qualitative standpoint variability is affected by design parameters. Uncertainty is affected by the assumptions. Let's just say we've tried to be conservative on assumptions, and picked mid-points on design parameters. John said we need to get input from affected managers on this topic as well. Phil said it is important that people viewing this product know the two types of uncertainty. It is important to tell people we've made our best effort within the resources. There's another aspect – some of these measures depend on human behavior. Both things need to be communicated in general terms.

Norm asked about the City's degree of uncertainty with respect to efforts to quantify the GHG reduction efforts reported in the climate status reports. Lucinda replied that "after the fact measurement" is easier but the uncertainty may still be around +/- 10%.

Blue agreed with Phil. Our numbers are meant to show people what are going to take big chunks out and what will take small chunks out. It's a waste of time for beating in on exact analysis. It seems like a huge hassle for information that is not of the greatest value to the overall project. Eric cautioned that we really have to watch out for the big measures. Can these have higher level of QC? Judy replied that QC has already been done on all measures.

Tiered Electric Rates

Lucinda asked the group, "Do you want to have it generate revenue for DSM?"

John said this question made him think of tiered water rates because it prompted so much conservation that it lost money, even though it was designed to be revenue neutral. If we can get some lessons learned from the water utility, that would help.

Jeff said he thinks it should be a money maker. FCU has comparatively low rates so there is a lot of room there within the rates to still meet the goals of FCU – in some ways we're leaving money on the table.

John said I'm concerned about it primarily for the 2nd question – where do you draw the line? It's going to hit the large users even if its revenue neutral – to sell it that we're going to make money on it too is a tough one to sell.

Norm said if could wave a wand and have a poll of the public on what they'd be willing to pay, that would help. A poll in the form of a vote is what crosses his mind.

Eric said that for him, specifics mean a lot – how much is going to be generated – depends on the tiering and where the breakpoints are set, etc. He wants to see a low income clause. Yet, this is fine for people who have made lifestyle choices that have made them big users. Different choices have different price tags.

Blue said the number of kids depends on circumstances and ability to pay. If the family has millions and has made lifestyle choices, then this makes sense. Yet, we also don't want to put anybody out on the streets. The commercial side of it is a harder piece to address.

Eric said that charging by the amount of energy use to industries that use a lot of energy and don't have control over it, that is like a carbon tax, which he supports in principle. Also, the low income needs to be addressed. We can't be 100%. We need to make the effort to be as fair as we can.

Phil said I don't know where I come down on this in general, but I think it's important that if we have programs that are unfunded measures, it's a little weird to propose a measure and not propose a way that measure can be implemented, especially since budgeting is all done for the coming year. I think its fair in the big picture for tiered rates to generate revenue to run DSM

programs, the other issues discussed here get poured into that and maybe impact how that goes. There is nothing wrong with generating revenue.

Steve agreed with Phil and Jeff – make money and use it for good purposes.

Bill Farland said it seems the best way to do this is to present this as revenue neutral, but present as an option to structure it as revenue-generating to pay for other programs that don't necessarily have available funding. Garry agreed; marketing this to the public will go over better with this approach. Eric didn't have a problem with that, but cautioned against going overboard and providing a multitude of choices on all these measures.

John said this has the opportunity to reduce carbon because of higher prices – it can also raise revenues – the more you push to have it be a revenue producer versus a carbon reducer it gets hard; there is uncertainty with the price elasticity issue. If what we want is a revenue source, we should go for a more stable source of funding that isn't tied to elasticity uncertainty.

Art asked how the group feels about Bill's suggestion. Blue likes it but wanted to make sure there is a caveat on how the revenues are spent – not going to general fund – but to a dedicated source of funding for carbon reduction projects. Art called for a vote to recommend tiered electric rates as revenue neutral, but to present options for revenue generation and make allowance for low-income.

Steve asked for a process check – should our process be that everybody takes this home and responds per bullet item. Then Lucinda collates that – everyone gets to see group results. Then the conversation can be targeted around areas of lack of consensus.

John moved to frame tiered electric rates as revenue neutral but mention the option for revenue generation. Liz seconded.
Vote – 8 in favor. Four opposed – Steve, Jeff, Phil, Norm. Motion passes.

Discussion prior to vote on revenue neutral: Jeff said he doesn't understand why we'd take a position softer than Denver and the state.

Eric moved to include a low income allowance in the tiered electric rates. Seconded by many.
Unanimous - None opposed. Motion passes.

Steve moved that we don't include commercial in tiered electric rates. John seconded that.
Vote: 7 in favor; five opposed – Norm, Eric, Jeff, Bill, Phil. Motion passes on simple majority.

Discussion prior to vote on commercial. Eric commented that it would like to incentivize small and medium sized businesses. They could adjust their lifestyle a little bit with awareness. It provides the same incentives for the businesses. He doesn't see that much of a difference – more similarity than difference with residential.

Garry generally agreed with Eric, but was concerned with selling this to the public, so would suggest a phased timeline to help them adjust. Jeff said it is vastly more difficult to design a fair tiered rate commercial structure, but some built-in financial incentive should exist for all customers. Phil said if we did look at commercial, then we would want to flesh out the different types of commercial customers. Eric agreed with Phil; there are various classes of commercial customers. John clarified that there only 3 groups of commercial customers – small, med, large based on usage, not sector. Rates are not broken out by industrial class. Eric said the issue is more complex than one size fits all. Steve said it seems like there are already incentives in place for commercial. Jeff pointed out that the energy charge is only a small part of the bill – peak demand and coincident peak demand are larger components and wouldn't be impacted by a tiered rate structure.

Changing the Chamber Legislative Affairs Meeting.

Blue asked for resolution about the upcoming December 14 Chamber Legislative Affairs presentation. All agreed that we are not ready and it would be best to postpone that. Lucinda will contact the Chamber to postpone.

Next steps

Lucinda will send a more fully developed list of questions to the task force by Friday morning, for voting by e-mail by Tuesday. She will compile and share the results asap.

Next Meeting

Wednesday, December 5, 2007
5:30 – 8:30 p.m.
281 North College Avenue
Conference Rooms A&B