

Community Renewable Energy Program

Program Overview and Update

Millcreek City Council
June 27, 2022





Discussion Objectives

1. Summarize the Community Renewable Energy Program
2. Review Millcreek's path to getting involved
3. Share the vision & key principles shaping the Agency's work
4. Update on Agency participation
5. Report progress & next steps for the Agency in working towards the program vision

Utah Community Renewable Energy Program

- A unique to Utah program enabled by a bill passed during the 2019 Utah Legislative Session (House Bill 411)
- Creates a pathway for Millcreek residents and businesses to have the option of net-100% renewable electricity as their electricity source by 2030
- Opportunity to influence decisions that will inject a significant amount of new renewable energy into the electric grid
- Substantially different than existing utility renewable energy options in scale, scope, and access



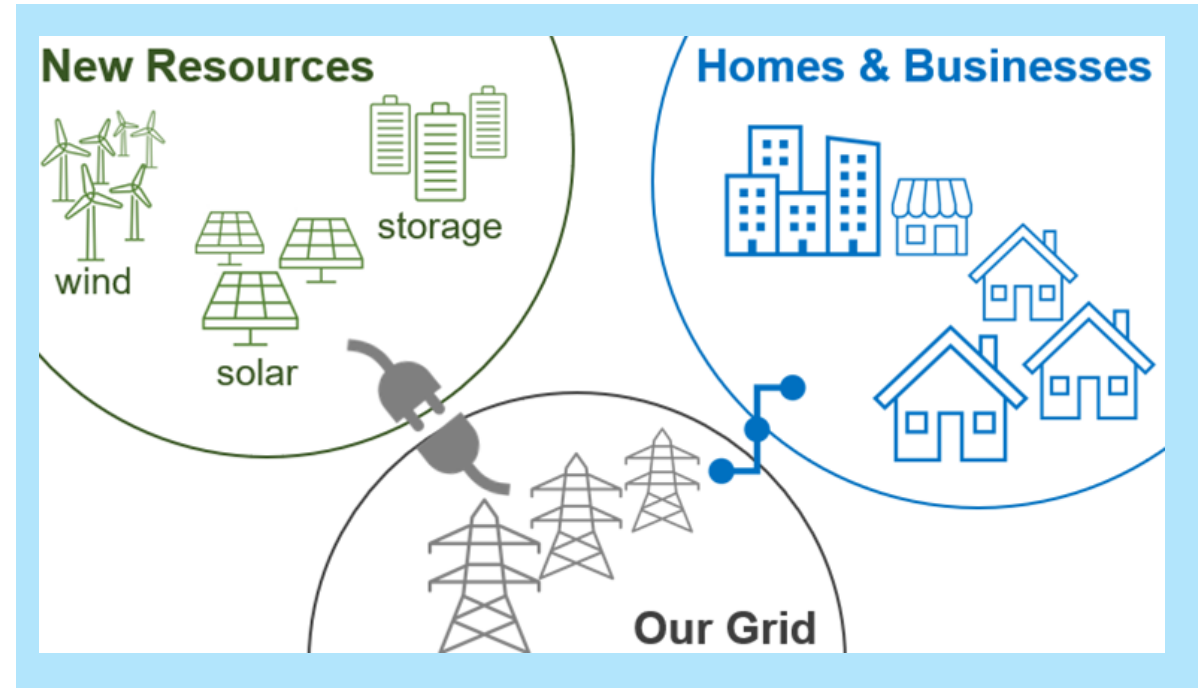
How Will the Program Work?

Once the program is approved and ready to launch, participating communities will, in coordination with Rocky Mountain Power:

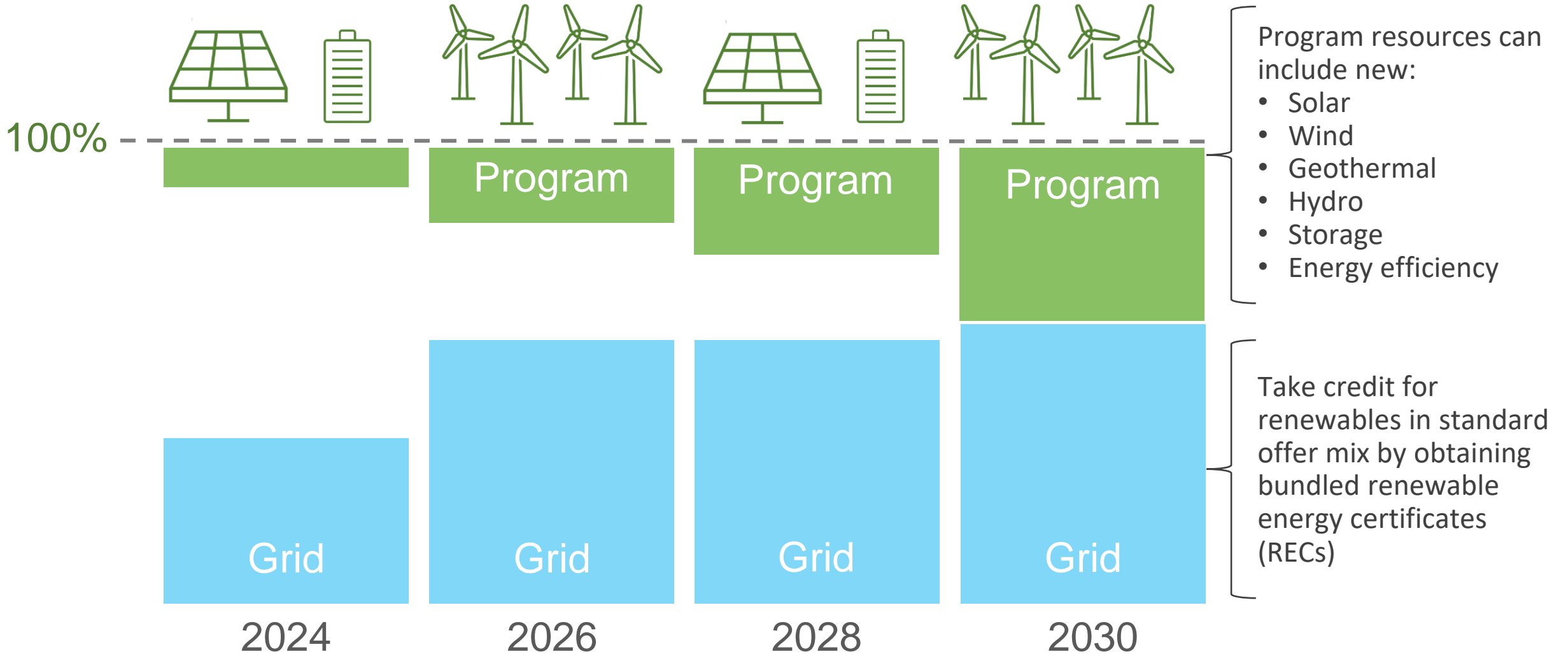
1. Procure new renewable energy resources
2. Connect those resources to the existing electric grid.

Customers will be automatically enrolled in the Program, with the option of opting out if they'd prefer to stay on standard-offer electricity.

If Millcreek adopts an ordinance to finalize our participation, we will have a voice in the procurement of those new resources.



Program Vision for Achieving Net-100% by 2030



Key Program Principles

- Meet participating communities' collective goals for making net-100% renewable electrical energy available to residents and businesses by 2030
- Design the program and implement low-income protections to make the program rate affordable and to minimize the impact on low-income customers
- Collaborate effectively as an Agency, with our legal and technical experts, with Rocky Mountain Power, and with state regulators
- Continually improve communications to make this complex program understandable for non-technical experts

How Millcreek Got Involved

2019 Legislative Session

Utah legislature passed HB 411, the Community Renewable Energy Act

2019-2020

Utah Public Service Commission (PSC) adopted administrative rules

November 2019

Millcreek adopted net-100% renewable energy goal, making us an *eligible* community

May 2021

Millcreek voted to sign the Governance Agreement, making us a member of the Community Renewable Energy Agency

June 2021

Millcreek appointed Mayor Silvestrini & Councilmember Jackson as Board members



Agency

Participation

Status

Community Renewable Energy Agency Member Communities (18)

- Alta
- Castle Valley
- Coalville
- Cottonwood Heights
- Emigration Canyon Township
- Francis
- Grand County
- Holladay
- Kearns
- Millcreek
- Moab
- Oakley
- Ogden
- Park City
- Salt Lake City
- Salt Lake County
- Summit County
- Springdale

Community Renewable Energy Agency Structure

Community Renewable Energy Agency

- Interlocal Government Body
- 16 of 23 eligible communities joined so far
- Outside counsel & energy consultants

Community Renewable Energy Agency Board

- 2 board members per community
- Monthly Meetings
- Officers:
 - Chair: Dan Dugan, Salt Lake City
 - Vice Chair: Angela Choberka, Ogden
 - Treasurer: Jeff Silvestrini, Millcreek
 - Secretary: Emily Quinton, Summit County

Program Design Committee

Springdale, Ogden, Summit County, Park City, Millcreek, Holladay, Salt Lake City

- Coordinate and negotiate with RMP, other state agencies
- Bring recommendations to board regarding program design, utility agreement, key program design decisions

Low-Income Plan Committee

Ogden, Cottonwood Heights, Park City, Kearns, Summit County, Salt Lake City, Castle Valley

- Research, study, consult with community members to develop options for communities to adopt in their required low-income plans
- Support program design committee with recommendations around low-income components

Communications Committee

Alta, Moab, Holladay, Cottonwood Heights, Salt Lake City

- Manages website, supports Board with communications assets, develops press releases
- Will be critical to support communities with outreach & education before and during program launch

Major Milestones *(Timeline is Estimated/Subject to Change)*

Summer - Fall 2021

- 1 Launch Agency and put essential structure in place

Early 2023

- 4 Upon Program approval, communities pass ordinance to enter program

Fall 2021 - Summer 2022

- 2 Design Program: rates, cost projection, low-income plans, etc.

Second half of 2022

- 3 RMP files Program Application for State review & approval

2023-2024

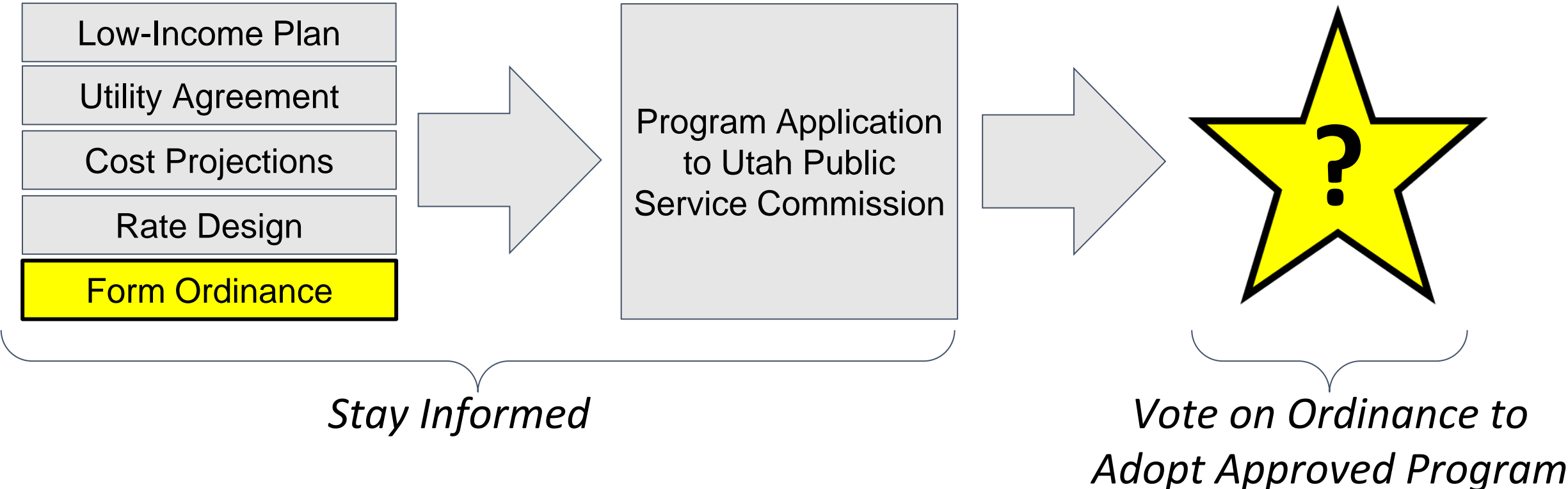
- 5 First renewable energy procurement, Program begins

Before utility bills reflect program

- 6 Customers are notified about Program, choice to opt-out

City Council Role

Big picture: For Millcreek to ultimately become part of the Community Renewable Energy Program, the City Council would need to contemplate and **adopt a form ordinance** that references the **approved program**.



Community Renewable Energy Program Policy Considerations (1 of 3)

Program Scale and Alternatives

- Does Millcreek want to support the creation of a new clean energy program that will shift Rocky Mountain Power's (RMP) overall energy mix toward cleaner sources?
- While significantly smaller in scale, are opt-in programs like RMP's Blue Sky and Subscriber Solar reasonable alternatives in providing renewable energy choices?
- If the Community Renewable Energy Program is not the mechanism to achieving our net-100% renewable electricity target by 2030, are there alternatives that could provide comparable renewable energy benefits to the community?
- Does our community want to have a say in where our electricity comes from?
 - While not constrained to Utah, the CREP could generate hundreds of millions of dollars of statewide economic development

Community Renewable Energy Program Policy Considerations (2 of 3)

Program Costs vs. Benefits

- How significant are the benefits of moving to net-100% renewable electricity by 2030 versus Rocky Mountain Power's non-binding forecast of ~65% renewable electricity by 2030 (and 72.5% non-emitting counting hydro and nuclear)?
 - *Note: the proposed nuclear project technology has not yet been licensed and has not been constructed anywhere else in the world. Firm costs and timeline are not yet available.*
- Are there benefits beyond environmental considerations that should be considered? (for example, tourism, public education, recognition for leading on the issue, etc.)
- Do the overall environmental benefits of the program outweigh any additional cost burden (if any) to the community, particularly low-income residents?

Community Renewable Energy Program Policy Considerations (3 of 3)

Local Government Capacity and Appropriate Role

- Is the Program consistent with Millcreek's sustainability goals?
- Is entering the Program an appropriate governmental action?
- Once a community has committed to being in the Community Renewable Energy Program, that commitment is enduring
 - However, RMP customers in our community can opt out or exit the program, per Program rules
- Does our local government have sufficient resources to manage the Program going forward?
 - If not, is there capacity to allocate additional resources to the CREP and/or other sustainability efforts? (for example, additional staff, project funding, etc.)
- When coupled with communication, is an "opt-out" style Program appropriately transparent?

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