

# Community Renewable Energy Program Updates

Nov 2022 – SLC Council Work Session

# Agenda

- Purpose: provide an update to Council Members and invite Council Member questions and feedback
- Overview: What is the Community Renewable Energy Program?
  - Goal
  - Participating communities
  - Agency overview
  - How we envision meeting the goal
- Timeline: Where are we in the process?
- Review three required Program elements
  - Energy Affordability (“Plan for Low-Income Assistance”)
  - Draft model ordinance
  - Utility Agreement – not yet drafted, but coming soon

# Council Feedback Requested

# Low-income plan – what do we request from Council?

- Please review the proposed energy affordability plan and draft model ordinance
- Please convey comments **by Monday, November 18** to:
  - [Daniel.Dugan@slcgov.com](mailto:Daniel.Dugan@slcgov.com)
  - [Samuel.Owen@slcgov.com](mailto:Samuel.Owen@slcgov.com)
  - [Christopher.Thomas@slcgov.com](mailto:Christopher.Thomas@slcgov.com)
- The Agency expects to finalize programmatic approaches to energy affordability and the model ordinance with a Board vote on **December 5th** for inclusion in the Program Application (to be submitted in coming months by RMP)

# Overview

# Goal of the Program

- Deploy large-scale renewable energy to clean up our electricity supply, paid for by participating customers
- Technically: every year, match the amount of electricity we use with the amount of renewable energy delivered to the grid for participants (by 2030)
- This is referred to as a “net-100% renewable electricity” goal
- This is the single largest strategy for reducing carbon pollution associated with Salt Lake City’s electricity consumption



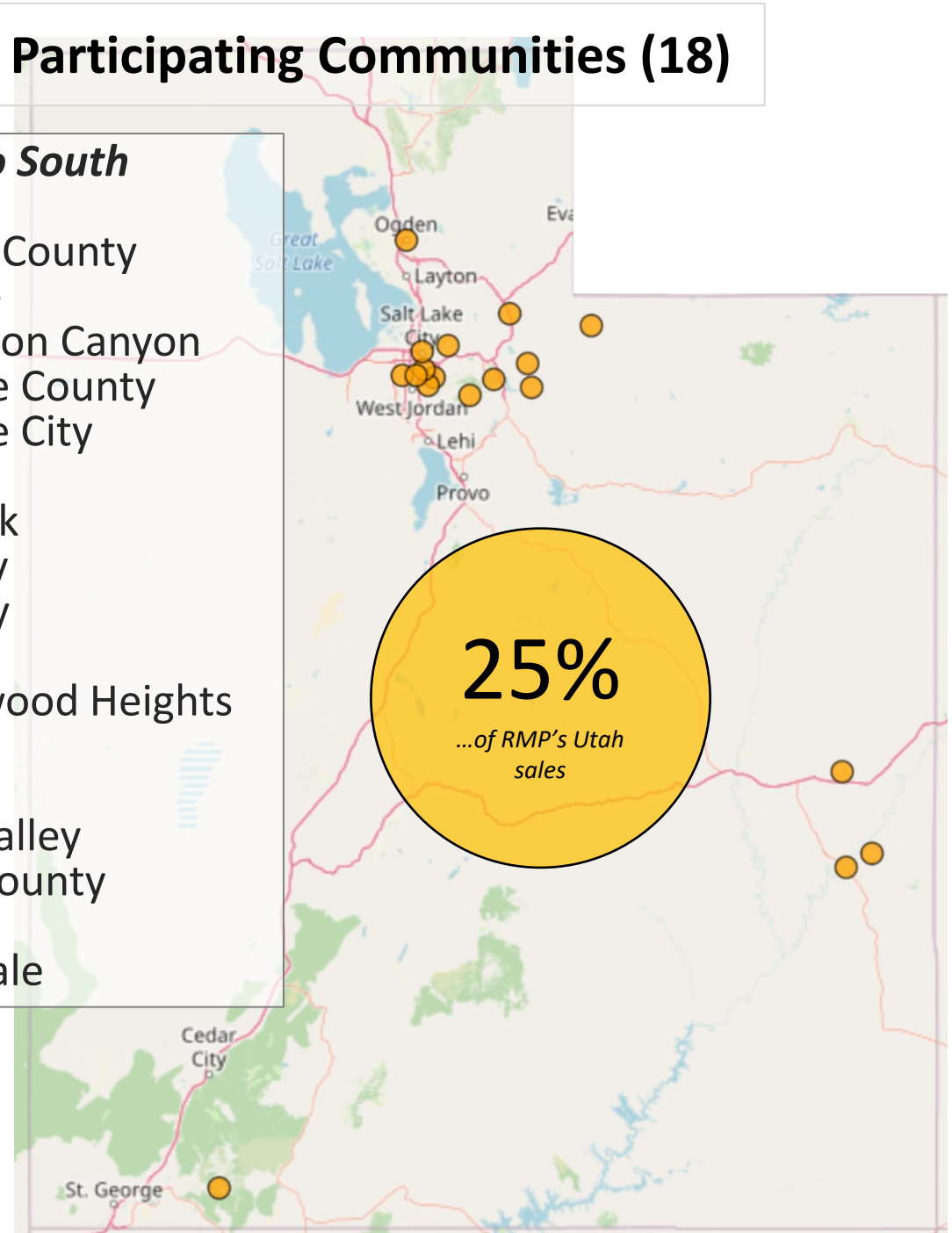
Agency  
Participation  
Status

Class	Electric Sales (Million MW- hours)
Residential	1.9
Commercial	3.2
Industrial	1.2
Other	.037
<b>TOTAL</b>	<b>6.3 Million</b>

## Participating Communities (18)

### *North to South*

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



# Community Renewable Energy Agency Structure

## Community Renewable Energy Agency

- Interlocal Government Body
- 18 communities joined
- Outside counsel & energy consultants

## Board of Directors

- 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

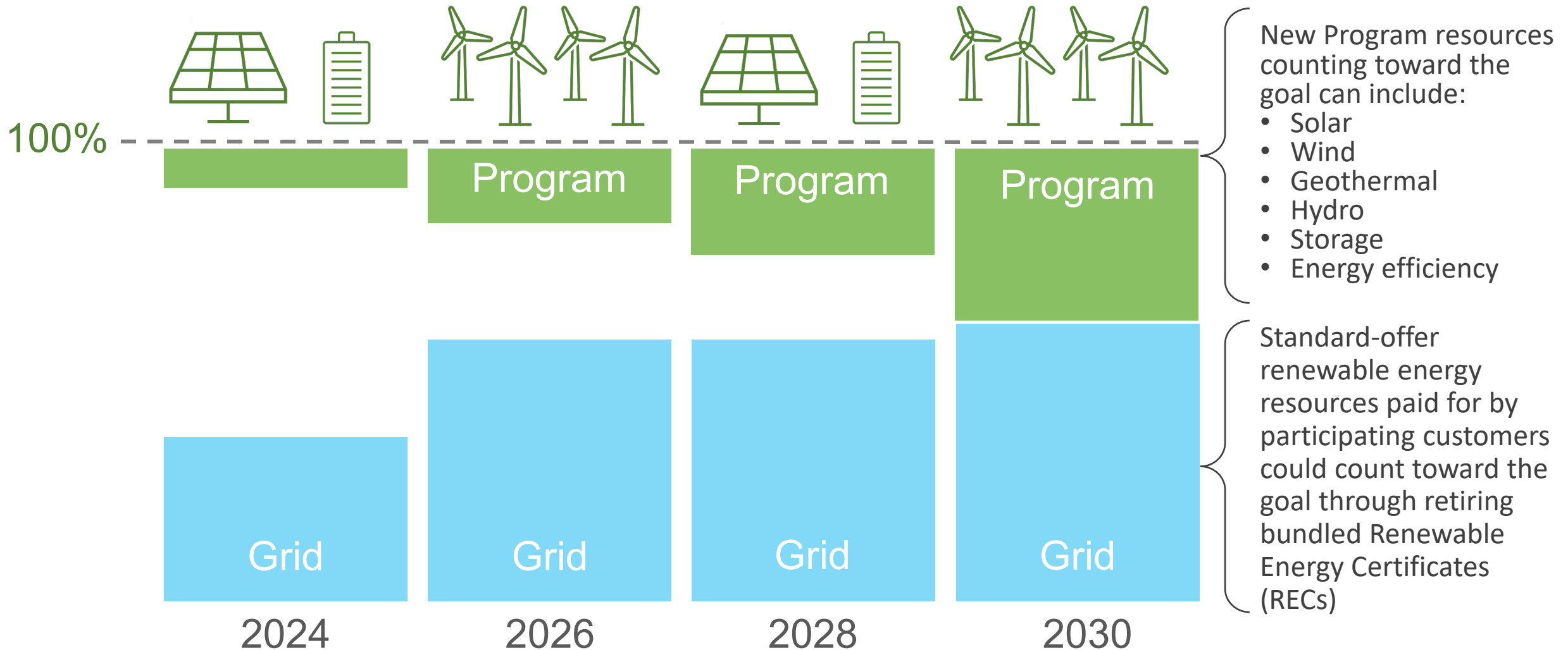
## Communications Committee

Alta, Moab, Cottonwood Heights, Holladay, 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

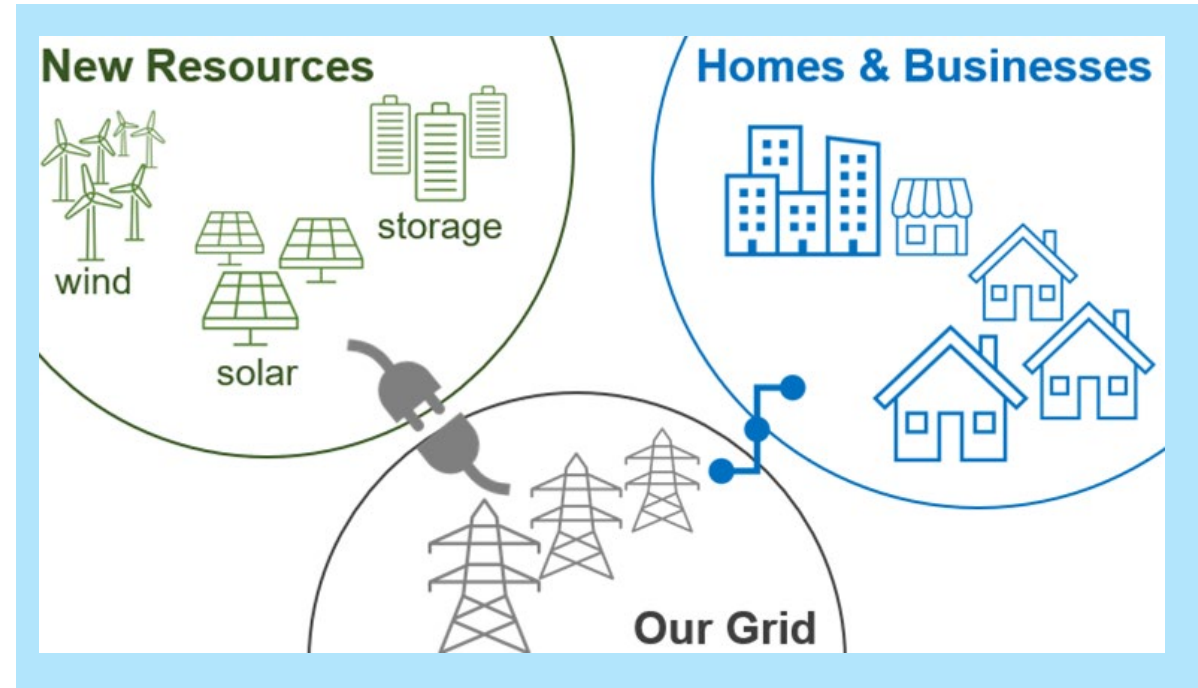


# Achieving net-100% renewable electricity goal by 2030



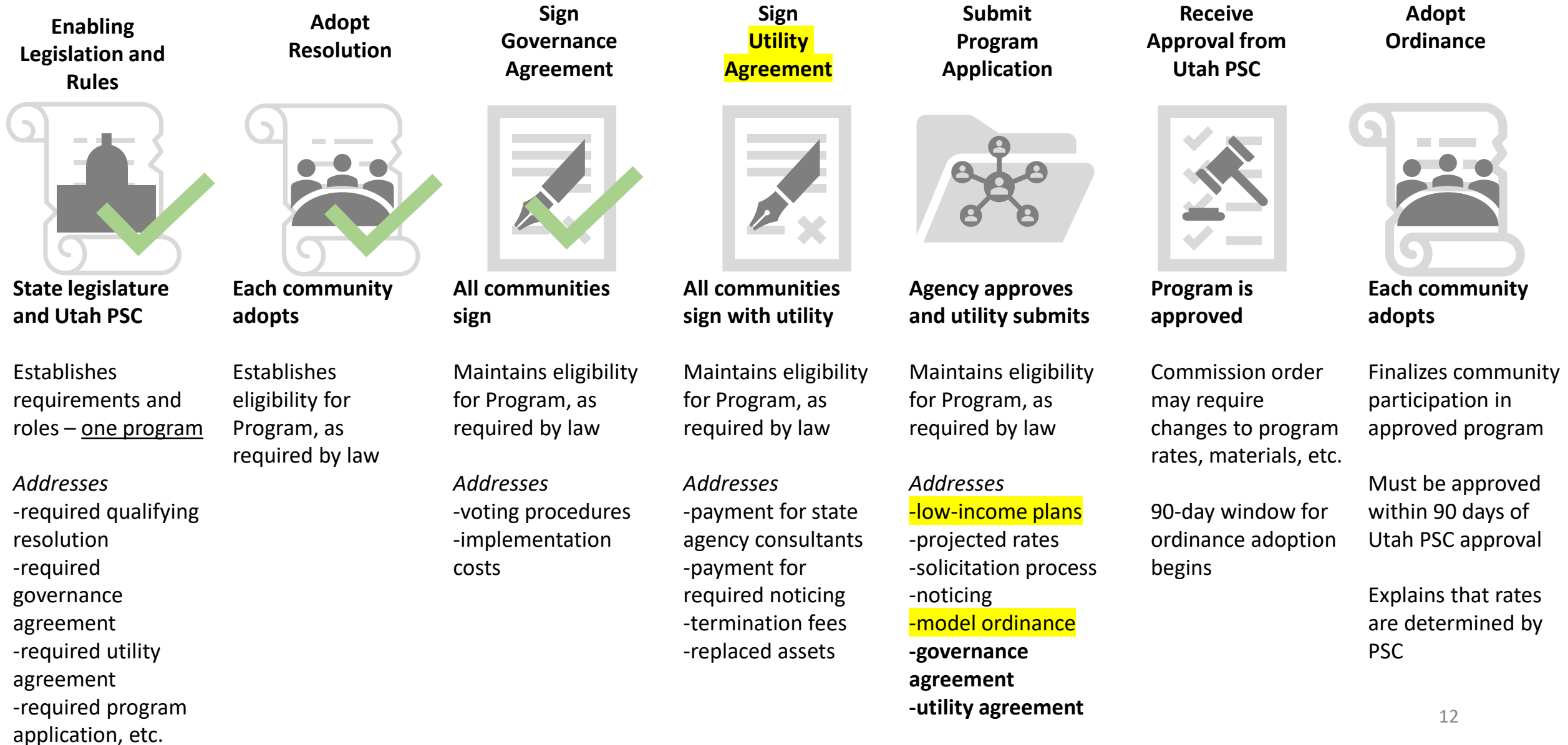
# How will the program work?

Once the program is approved by the Utah Public Service Commission and ready to launch, the Community Renewable Energy Agency will review resource bids and vote to acquire new renewable energy resources that will interconnect with Rocky Mountain Power's system



# Milestones and Anticipated Timeline

# Community Renewable Energy Program Implementation Timeline (simplified)



# Anticipated Timeline (Subject to Change)

Dec 2022 – Mar 2023:	Regulatory filing with Utah Public Service Commission (PSC)
Mar 2023 – June 2023:	Expected decision by Utah PSC
June 2023 – Sep 2023:	SLC and other communities consider final ordinance
Nov 2023 – Jan 2024:	Electric customers receive 2 opt-out notices over ~2 months

The Program is not expected to cost the average residential customer more than \$7 per month on average (and possibly a lot less)

There may be a modest termination fee (~\$30) if a customer does not opt-out or cancel within the first three months

# Energy Affordability

(“Plan for Low-Income Assistance”)

# Low-Income Plan Requirement

- The Community Renewable Energy Act
  - “[The Program Application shall include]... **a proposed plan established by the participating community addressing low-income programs and assistance...**”
- Public Service Commission Rules
  - “[The Program Application shall include]... **a description of the plan proposed by each eligible community addressing low-income programs and assistance...**”

# ***Resources***

*Community Profile and Energy Burden Maps*



# Plans for Low-Income Assistance

- The Low-Income Plan Committee of the Board compiled resources for participating communities, researched existing forms of low-income assistance for Rocky Mountain Power customers, and is formulating recommendations for the Board to consider
- Salt Lake City resources (compiled from available Federal data and aggregated RMP data)
  - Community profile (visit <https://www.utah100communities.org/low-income> and select “Salt Lake City” from the dropdown)
  - Salt Lake City [energy burden maps](#)
- What is energy burden?
  - Energy costs as a percentage of household income

# Community Profiles for Low-Income Assistance Planning

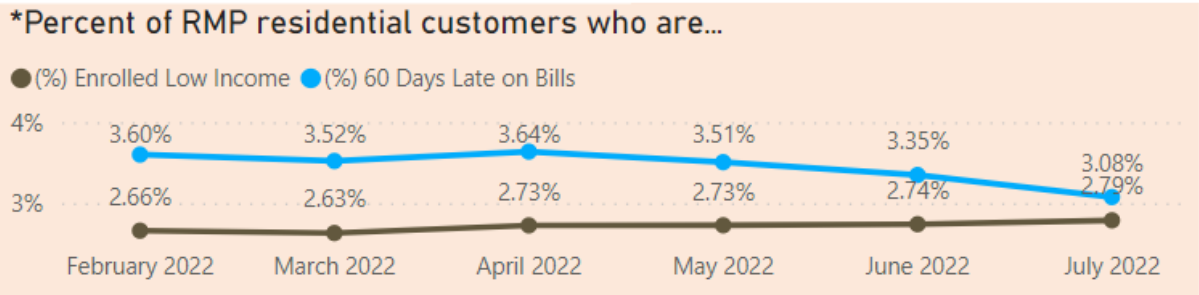
Salt Lake City

References

\*Adapted from data provided by [Rocky Mountain Power](#)

\*\*Adapted from the [LEAD Tool](#); see [methodology](#)

\*\*\*See [2018 Federal Poverty Level guidelines](#)



## \*\*Low-Income Energy Affordability Data (LEAD) Tool Estimates Based on 2018 Data

Households **at or below 150%** of the Federal Poverty Level (FPL)

... are this percent of households

20.8%

... pay an annual power bill of

\$641

... live in these types of buildings

Building Type	Percentage
Multi Family	70.57%
Single Detached	28.06%
Other	1.37%

... live in buildings constructed

Construction Year	Percentage
1959 or before	37.19%
1960 or later	62.81%

... have this tenancy

Tenancy Type	Percentage
Owned	20.48%
Rented	79.52%

Households **above 150%** of the Federal Poverty Level (FPL)

... are this percent of households

79.2%

... pay an annual power bill of

\$776

... live in these types of buildings

Building Type	Percentage
Multi Family	43.2%
Single Detached	56.05%
Other	0.75%

... live in buildings constructed

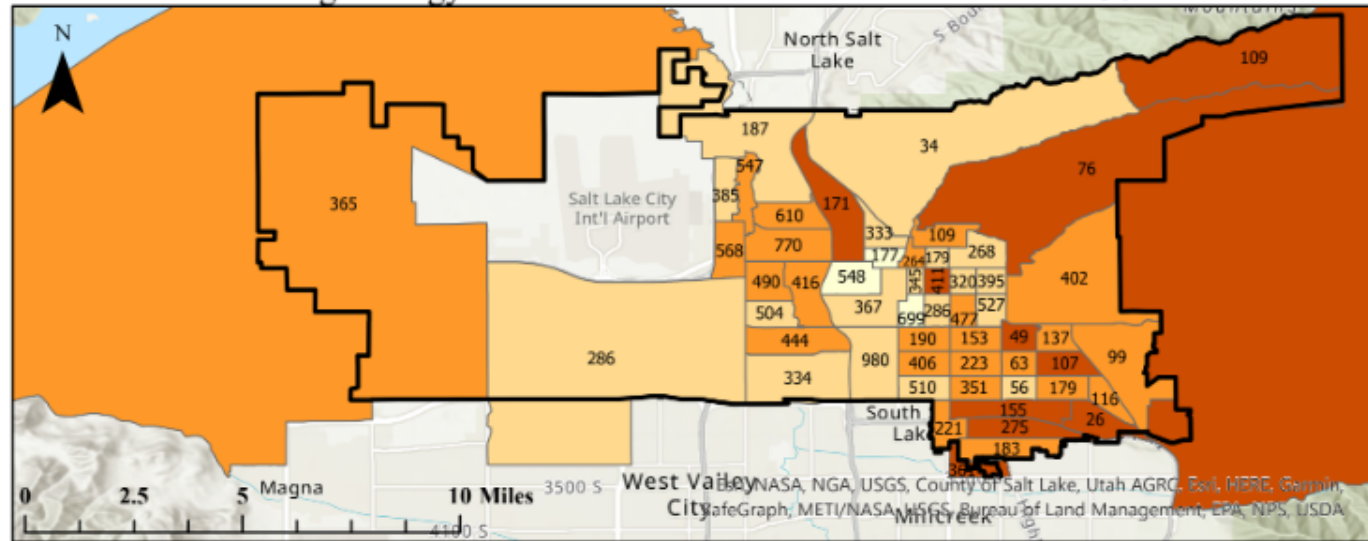
Construction Year	Percentage
1960 or later	43.55%
1959 or before	56.45%

... have this of tenancy

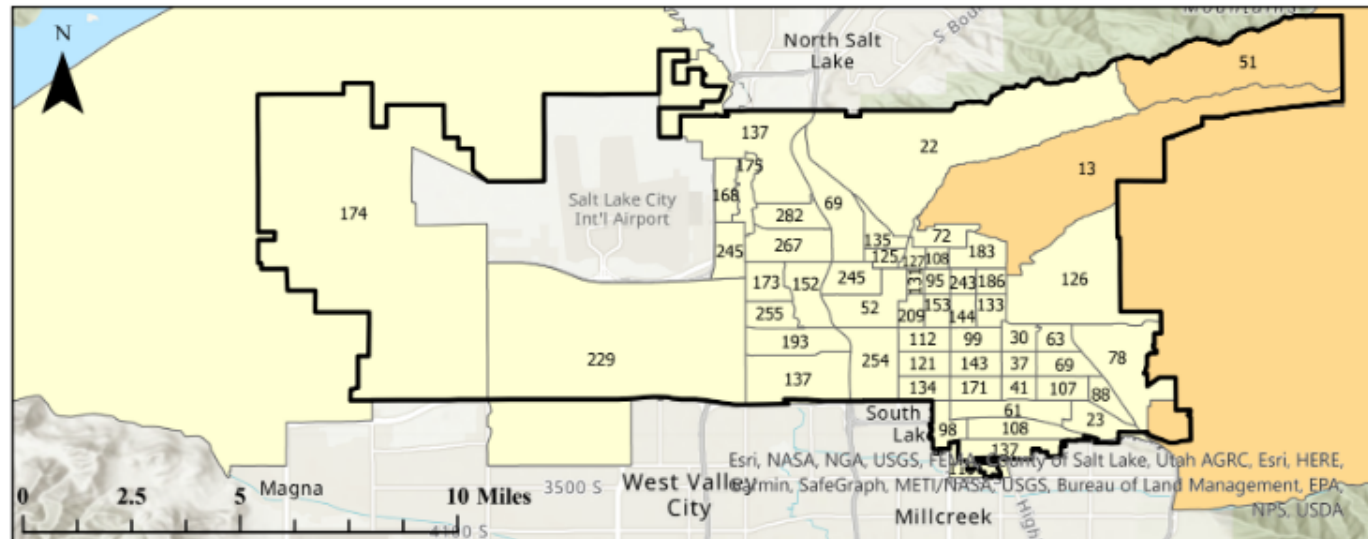
Tenancy Type	Percentage
Owned	55.87%
Rented	44.13%

# Salt Lake City

Average Energy Burden and Number of Households below 150% FPL

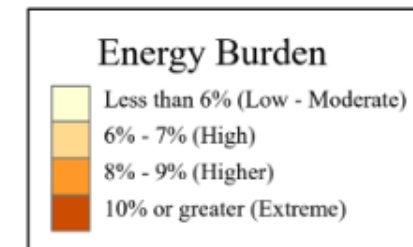


Average Energy Burden and Number of Households at or above 150% FPL and below 200% FPL



These maps display the estimated number of households whose income limit is either below 150% of the federal poverty level (top map) or between 150% and 200% of the federal poverty level (bottom map) for each census tract within Salt Lake City. The estimated average energy burden (energy costs as a percentage of household income) of those households is illustrated using color, with redder tracts representing higher energy burden (see legend below).

Please see pages 3-4 for more information on how to interpret these maps.



## Sources

Low-Income Energy Affordability Data (LEAD) Tool  
Utah Geospatial Resource Center (UGRC)

Please see page 2 for more information on data sources.

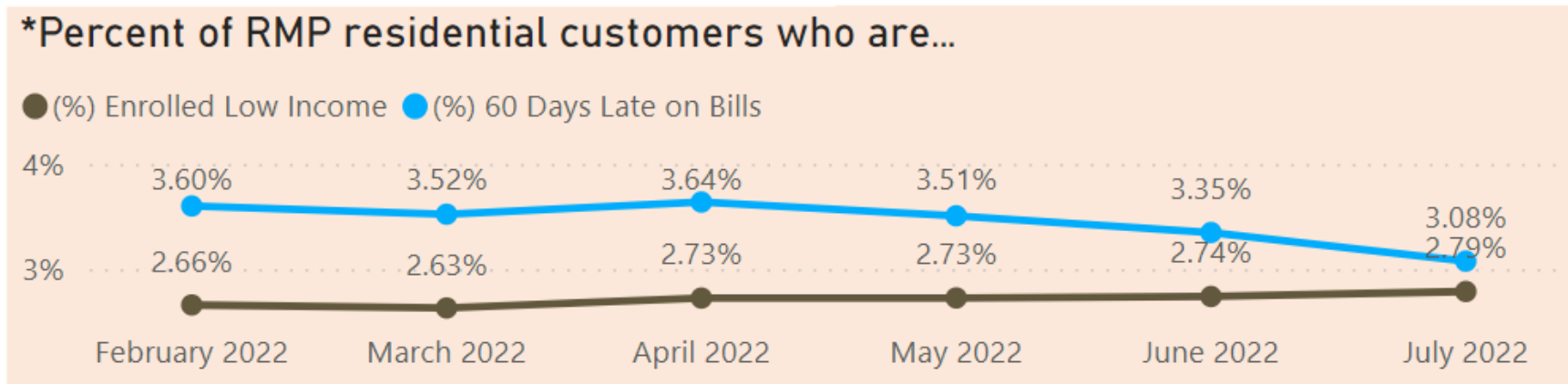
# *Programmatic Strategies*

# Potential Programmatic Strategies

- The programmatic strategies contemplated by the Low-Income Plan Committee include:
  1. An automatic opt-out
  2. A termination fee waiver
  3. An enhanced bill credit
  4. An online donation function
- The Utah 100 Communities Board will vote on which programmatic strategies to propose as part of the program application (December)
- Could include one or all of these approaches – would love Council feedback

# Automatic Opt-Out

- Residential customers who are either...
  1. Enrolled in Schedule 3 “Low Income Lifeline Program – Residential Service”
  2. 60 days behind on electricity payments during the 60 days prior to Program implementation...will **not** be automatically enrolled in the Program. Instead of receiving two **opt-out** notices, they will receive two **opt-in** notices with guidance of how to electively opt into the Program free of charge.



# Termination Fee Waiver

For residential customers who are enrolled in Schedule 3 “Low Income Lifeline Program – Residential Service,” the termination fee for opting out of the Program at any point will be waived.

# Enhanced Monthly Bill Credit

- For participating residential customers who are enrolled in Schedule 3 “Low Income Lifeline Program – Residential Service,” an additional monthly bill credit will be applied.
- Customers enrolled on this schedule receive an existing monthly bill credit of up to \$13.95/month.
- An enhanced monthly bill credit would be funded through a bill rider paid for by participating residential Program customers who are not enrolled on Schedule 3.
- The Low-Income Plan Committee has used a \$3.00/monthly bill credit as a placeholder amount for this strategy.



# Online Donation Function

- Rocky Mountain Power facilitates an existing donation campaign through paper billing 2x/year.
- An added donation function to their online bill pay portal could allow participating Program customers to add a donation to their bill, which would help to further fund the enhanced monthly bill credit.
- As billing continues to transition to more digital methods, would RMP consider implementing an online donation function that would allow participating customers to donate to support the enhanced monthly bill credit?

# *Outreach Strategies*

# Suggested Outreach Strategies for Energy Affordability Plan

- Provide enhanced communication to households who may be disproportionately affected by utility bill changes, including households who
  - Receive housing assistance
  - Receive a fixed income
  - Are renters and may not directly pay utility bills
  - Live in a single family detached home
  - Are recently resettled refugees
- Coordinate with related community organizations, including
  - A one-on-one meeting
  - Invitations to a quarterly meeting hosted by the Low-Income Plan Committee
  - Providing posters in English, Spanish, or other language with a request to display in high-visibility areas
  - Providing template information emails with a request to distribute via any list-serves

# Organizations Identified Through Utah 211 Directory

- Assist Utah
- Dept of Workforce Services – Refugee Services
- Division of Services for People with Disabilities
- Housing Authority of Salt Lake City
- Medicaid
- National Resource Directory
- Neighborworks Salt Lake
- Work Activity Center - Midvale
- Utah Community Action
- AARP – Utah State Office
- Comunidades Unidas
- Foundations for Independence – Cerebral Palsy of Utah
- Futures through Training
- We received other suggestions from the Human Rights Commission and will work with Civic Engagement & Mayor's Office on other priority groups.

# Low-income plan – what do we request from Council?

- Please review the proposed programmatic approaches to energy affordability and the organizations to include in our outreach strategy
- Additionally: are there any community organizations that you would like us to include in our outreach and communication efforts?
- Please convey comments **by Monday, November 18:**
  - [Daniel.Dugan@slcgov.com](mailto:Daniel.Dugan@slcgov.com)
  - [Samuel.Owen@slcgov.com](mailto:Samuel.Owen@slcgov.com)
  - [Christopher.Thomas@slcgov.com](mailto:Christopher.Thomas@slcgov.com)
- The Agency expects to finalize low-income plans with a Board vote on **December 5th** for inclusion in the Program Application (to be submitted in the coming months)

**Draft Model Ordinance  
to finalize participation in Program**

# Draft Model Ordinance (finalized by December)

- What is it required to do? Unique ordinance
  - Finalize a community's participation in the Program – including the commitment of Salt Lake City funds to cover noticing costs to electricity customers within our boundary
  - Must be consistent with a separate document called the Utility Agreement
- The rest is informational
  - Explains how an eligible customer will interact with the Program (enrollment after an opt out period, exiting later may require a termination fee, etc.)
  - Explains that Program rates are determined and may be adjusted by the Utah Public Service Commission (PSC)
  - Note: blanks will be filled in after the Program is approved by the Utah PSC
- When must the ordinance be adopted?
  - Within 90 days of Program approval by the Utah PSC
  - The proposed “model ordinance” must be included in the Program Application, so major changes will not be allowed by any community's final adopted ordinance

# Draft Model Ordinance – what do we request from Council?

- Please review draft model ordinance – do you have any questions?
- Are there any major omissions? (customizations that apply to only one community cannot be included in the model ordinance)
- Please send comments **by November 18:**
  - [Daniel.Dugan@slcgov.com](mailto:Daniel.Dugan@slcgov.com)
  - [Samuel.Owen@slcgov.com](mailto:Samuel.Owen@slcgov.com)
  - [Christopher.Thomas@slcgov.com](mailto:Christopher.Thomas@slcgov.com)
- The draft model ordinance may be finalized by a Board vote as soon as **December 5<sup>th</sup>**
- Reminder: placeholders will be updated after Utah PSC approval and the ordinance must be adopted within 90 days of that approval, as required by state law



# Utility Agreement

# Utility Agreement – not yet drafted, coming soon

- All communities sign this agreement with Rocky Mountain Power, as required by state law. It must address:
  - **Third Party Expertise:** Community agrees to cover cost of third-party expertise for Utah agencies
    - This is covered by Agency budget, not to exceed \$200k
  - **Customer Noticing:** Each community agrees to reimburse RMP for cost to print and mail two notices to each customer within the jurisdiction, contingent on Council adopting ordinance
    - 2019 estimate for SLC was ~\$78k
  - **Termination Fees:** How will unpaid termination fees will be handled?
    - Current concept: Unpaid termination fees will be handled as a Program expense, paid by Program participants, not a direct expense to local governments
  - **Replaced Assets (i.e. coal or gas plants):** Are there any initially proposed replaced assets?
    - Current concept: There will not be any initially proposed replaced assets, but could propose replaced assets in the future
    - The replaced assets concept would allow the participating communities to pay off our Program's proportionate share of a coal or gas plant faster than all other customers, likely increasing the program rate