

FINAL
Energy Services Working Group
Dec. 11, 2014, 8:30-10:30AM

Attendees

- **City Staff:** Yael Gichon, Kendra Tupper, Jonathan Koehn, Heather Bailey, Heidi Joyce, Kelly Crandall, Elizabeth Vasatka, Bob Harberg, Todd Jorgensen
- **Resource Acquisition:** Victor Austin, Tom Asprey, Steve Pomerance, Puneet Pasrich, Mike Liebelson, Ken Regelson, Jim Hartman, Kristin Larson
- **Energy Services:** Tim Hillman, Josh Kuhn, Lynn Roy, Pankaj Sharma, Brad Davids, Greg Ekrem, David Kline, Larry Kinney, Chad Garrett, Ted Weaver, Robert Hutchinson, Tim Beal, Steve Dedrick, Jeremy Epstein, Martha Campbell, Linda Olsson, Tim Schoechle

Joint Session Resource Acquisition and Energy Services Working Groups

- Staff reviewed the code of conduct for the working groups. Document on protocols and agreements posted on basecamp for comment.
- Staff provided a history of and an update on the municipalization effort, focusing on the transition plan.
- Staff clarified that distributed/rooftop solar will be addressed in Energy Services while utility-scale solar will be addressed in Resource Acquisition. There will be significant interactions between the groups because of cost considerations.
- Working group comments:
 - Work comprehensively throughout the organization, including on water and transportation, which have significant ties to energy (example: electric vehicle charging rate),
 - Natural gas service will still come from Xcel and therefore it will be necessary to maintain good relationships; at the same time, Fort Collins is considering significant fuel-switching from natural gas to electricity, including ground-source heat pumps.
 - Continue evaluating path from current building codes to net-zero/performance-based codes, and expanding land-use codes discussion to increase local solar development opportunities.
 - It would be useful to clarify the goals and metrics being used to determine “success.”
 - Conservation should be incorporated as well as efficiency and local solar. What drives efficiency and conservation for this effort, when we don’t have a state law providing us a performance incentive for eroding our own sales?
- Working group members sought clarity on the anticipated deliverables:
 - Energy Services – a clear set of recommendations for services to offer on Day 1 including possible program administrators, budget, incentive levels, timelines, etc. Also recommendations on programs beyond Day1. Expectations around Day 1 are that we need to meet the needs and expectations that are being offered today and beyond Day 1 can evolve into new business model. If there are things on Day 1 we can start with that are moving towards the new business model, those should be identified.
 - Resource Acquisition – probably seeking less than a complete integrated resource plan and more recommendations related to obtaining a “day 1” power supply and the goal-setting, risk mitigation, and modeling associated with it.

Energy Services Working Group

- Discussion about objectives for Energy Services. In addition to the ones presented by staff (see power point), the group added the following ideas:
 - The 5 “C”s
 - Customers delighted with offerings
 - Continuous improvement – metrics strategy, plans
 - Community development – drive economic development
 - Climate – drive overall climate goals
 - Cash –manage money, what is right metric to measure (budget, bill savings, rate impacts)
 - Link with existing programs (EnergySmart)
 - Balance between incentives and codes to drive participation
 - Financing in place to meet demand, ensure does not inflate housing costs unnecessarily or provide an economic disincentive for businesses.
 - Smarter grid pricing models
 - Serve all customers: prevent shut-offs, keep bills affordable, payment assistance
 - Don’t need to offer exactly what Xcel offers on Day 1, reframe “minimize customer impacts”
 - Communication, customer engagement
 - Affordability – reduce barriers to eligibility for financing and be careful with unintended consequences of codes and standards
 - Promote transactive energy in front of the meter, advanced demand response, microgrids, smart grid
 - Look beyond traditional cost-effectiveness tests
 - Link with economic policy – identify who customers are and what their demands are for services. Provide services that customers want and need.
 - Have transition plan for legacy customers
 - Communication – important to tell story of what we are offering and why
 - What does the muni have to do? How does it work with governance of building stock?
 - Education – on bill, schools, etc. Metrics people can understand
 - Resilience
 - Partnerships, build an ecosystem (banks, service partners, etc)
 - Economic development, but not replicate traditional utility model, look at models that have “shrinking supply”
 - Rates versus Bills conversation – Total bill is more important than actual rate
 - Capital – availability of funds
 - Confidence – ability to offer services
 - Convenience - ease
- Question around demand response on Day 1– for example, will we acquire saver’s switches and operate them on Day 1? This also applies to EnerNoc programs. Staff will report back
- Next Steps:
 - Review gap analysis categories and content and decide which area you would like to work on and any ideas you have for ways to organize the information or recommend services.

Scheduling

- Meet every three weeks:
 - January 8th 9-11am
 - January 29th 9-11am
- We will have a Webex option for all future meetings