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## CITY COUNCIL TRANSMITTAL

  
Patrick Leary, Chief of Staff

Date Received: May 24, 2017  
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**TO:** Salt Lake City Council  
Stan Penfold, Chair  
**DATE:** May 24, 2017

**FROM:** Vicki Bennett  
Sustainability Department 

**SUBJECT:** Community Renewable Energy Feasibility Study

**STAFF CONTACTS:** Vicki Bennett, Sustainability Director  
Tyler Poulson, Senior Energy & Climate Program Manager

During the City Council meeting on May 3, 2016, City Council adopted a Resolution authorizing an Interlocal Agreement<sup>1</sup> between Salt Lake City, Summit County and Park City that jointly funded development of a community renewable energy study. The study for Salt Lake City is now complete and this transmittal provides additional background on results and potential next steps for community-level renewable energy development.

### BACKGROUND/DISCUSSION:

Mayor Jackie Biskupski and City Council adopted a Joint Resolution<sup>2</sup> in November 2016 expressing support for a transition to 100% renewable energy for the community electricity supply by 2032. This same Resolution also conveyed support for an 80% reduction in energy-related community greenhouse gas emissions by 2040.

Numerous steps have been taken during the past year to advance community clean energy and carbon pollution reduction goals. These include adoption of a Clean Energy Cooperation Statement between Mayor Biskupski and Rocky Mountain Power (RMP) CEO Cindy Crane, plus publication of a joint Clean Energy Implementation Plan<sup>3</sup> by Salt Lake City and RMP. The Climate

<sup>1</sup> Renewable Energy and Energy Choice Partnership Interlocal Agreement. City Council Formal Meeting Packet. May 3, 2016. Pages 1,997 – 2,013. <http://slcgov.iqm2.com/citizens/FileOpen.aspx?Type=1&ID=1158&Inline=True>

<sup>2</sup> A Joint Resolution of the Salt Lake City Council and Mayor Establishing Renewable Energy and Carbon Emissions Reduction Goals for Salt Lake City. November 1, 2016. [http://media.wix.com/ugd/26b4b3\\_38cc4033433641a18811f468ef0ecf95.pdf](http://media.wix.com/ugd/26b4b3_38cc4033433641a18811f468ef0ecf95.pdf)

<sup>3</sup> Clean Energy Cooperation Statement & Clean Energy Implementation Plan. Statement signed August 2016 and Plan published March 2017. <http://www.slccgreen.com/rmp-implementation-plan>

Climate Positive 2040 plan<sup>4</sup> was also published to represent the breadth of projects, programming and planning underway to reduce carbon pollution in line with achieving an 80% reduction in community greenhouse gas emissions.

Building upon past efforts, a new Community Renewable Energy Study has been drafted for Salt Lake City. This study was catalyzed and funded through the aforementioned Interlocal Agreement with Summit County and Park City. Staff from the three participating municipalities formed a joint Steering Committee to guide the procurement and development of the study. Independent study drafts were created for each community by Energy Strategies, LLC and each reflects differences in population, electricity needs and other factors, although the study framework and final report is comparable for each community. Key deliverables and sections within the Salt Lake City study document include:

- Community Electricity Baseline and Future Use Forecast
- Three Energy Development Pathways for 100% Renewable Electricity by 2032
  - Front-End Loaded | Straight-Line | Hybrid
- Anticipated Rate and Expenditure Impacts of Each Pathway by Customer Class
- Environmental and Economic Co-Benefits Analyses
  - GHG Emissions | Criteria Pollutants | Fresh Water | Economic Impacts
- Community Choice Aggregation Versus a Utility-Provided Renewable Energy Tariff

The complete study, “Communities Renewable Energy Study: Analysis of impacts and benefits associated with transitioning to 100 percent renewable power” is available online<sup>5</sup> and Sustainability staff is available to present details to City Council as part of a future Work Session, if desired.

One important piece of context is that outcomes reflected in the report hold true only if all referenced study assumptions are correct. A number of assumptions had to be made while drafting the document, including estimating costs of large-scale renewable energy projects in Utah along with how these resources might ultimately be priced on local customer electricity bills. There are also a number of unknowns related to factors affecting future energy resources, market prices and pollution regulation and the study needed to make assumptions on all fronts in order to complete calculations and derive outcomes. Due to the large number of informed estimates required, the study only reflects a potential set of outcomes based strictly on the assumptions and data sources leveraged while drafting the study.

Our community electricity provider, Rocky Mountain Power, is a publicly regulated utility and this means that financial impacts of a transition to 100% renewable power for Salt Lake City would ultimately be determined through a regulated process involving numerous stakeholders. However, the study provides a highly useful baseline for evaluating the opportunities and impacts of a 100% renewable electricity future. Furthermore, the assumptions informing modelling results are amenable to future updates and corrections as next steps are evaluated and pursued by Salt Lake City.

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<sup>4</sup> Climate Positive 2040. Salt Lake City Corporation. Published March 2017.

[http://www.slcdocs.com/slsgreen/Climate%20Positive%202040%20\(web\)\\_compressed.pdf](http://www.slcdocs.com/slsgreen/Climate%20Positive%202040%20(web)_compressed.pdf)

<sup>5</sup> Communities Renewable Energy Study: Analysis of impacts and benefits associated with transitioning to 100 percent renewable power. Energy Strategies, LLC.

[http://www.slcdocs.com/slsgreen/Climate%20&%20Energy/PDF\\_RE%20Study\\_Salt%20Lake\\_Final.pdf](http://www.slcdocs.com/slsgreen/Climate%20&%20Energy/PDF_RE%20Study_Salt%20Lake_Final.pdf)

**NEXT STEPS**

Salt Lake City Sustainability staff will utilize feasibility study results as part of the City's ongoing dialogue and collaboration with Rocky Mountain Power to create new pathways for renewable energy development sizable enough to meet community needs. As a regulated utility, Rocky Mountain Power must abide by certain requirements and processes as part of its energy resource planning and customer ratemaking activities. The timing and exact details of these processes and associated outcomes are still to be determined. However, the aforementioned "Clean Energy Implementation Plan" jointly published by Salt Lake City and Rocky Mountain Power includes a draft timeline and list of key steps envisioned for the City-Utility collaboration. Sustainability Department staff are available to share additional information and/or answer questions from City Council on any of these matters, as needed.

**EXHIBITS:**

None