

# Communities Renewable Energy Program 100 Fact Sheet

## Summary

This community renewable energy program allows eligible local governments to procure net-100% renewable electricity by 2023 on behalf of their residents and businesses. The ILA will allow SLCo to continue to the next phase of the planning portion of the program.

## Background

In November 2019, SLCo passed a resolution indicating its participation in HB 411 (2019) the Community Renewable Energy Act. Twenty-two other communities passed similar resolutions in 2019, becoming eligible to participate in the partnership. Over the last year, SLCo has been working with other participating communities to complete the second step in the process - forming a cost-sharing and decision-making structure among the participating communities. The attached document is a result of that work. The key points of the agreement are the decision-making structure and the cost sharing arrangement.

As a reminder, if SLCo chooses to participate in the agreement it would only affect areas of unincorporated SLCo. Cities within SLCo which are part of the agreement so far are: Salt Lake City, MillCreek, Holladay, Cottonwood Heights, and Kerns. Total cities are yet to be determined but currently 22 are considering it. More information can be found on the communities 100 info website: <https://www.utah100communities.org/>

## Analysis

### Decision Making Structure

- The decision-making structure is divided into two parts: Pre-implementation voting (passing an ordinance) and post-implementation.
  - Pre-implementation
    - Standard votes are based on one community one vote.
    - However, two communities can call for a weighed vote which would be based on participation percentage.
      - Weighed vote is based on the avg. of population and electric load. Communities with higher levels of population and energy use will have a larger say.
      - Unincorporated SLCo has both a low population and a low electric load. Assuming all current communities participate that totals 3.3% of the total avg. Meaning in a weighted vote scenario SLCo will represent 3.3% of the total.
  - Post-implementation
    - Requires 2/3s of communities and a majority of participation percentage.
  - Each community makes a board appointment of an elected official and a alternate

### Cost Sharing

- The ILA creates a cost-sharing structure based on the averaging of population and electric load.
  - SLCo cost to participate as a non-anchor community will depend on final number of communities but will be in the range of \$20-25,000 and can be covered by current allocated budget

- \$40,000 has been budgeted for the project through the ORD Regional Project Budget
- Costs will go towards the hiring of energy attorneys and consultants for the next phase of the project scope.
- The only additional long-term costs will be noticing of residents which is estimated to be \$10,000. if program is implemented (late 2022 or 2023 at earliest) Afterwards not additional cost will be incurred by the county.

#### Anchor Communities

- To create implementation certainty for future negotiations, the group has created the anchor community concept.
  - Anchor communities agree to cover extra costs if a participating community drops out of the program.
  - This allows the anchor group to absorb the additional costs without affecting the larger set of communities which could lead to more communities to drop out.
  - Anchor communities will get additional voting power in weighted vote scenario.
  - SLCo is not participating as an anchor community

### **Recommendation**

SLCo sign agreement as a participating community.

### **Benefits/Impacts/Limitations**

#### **Benefits**

- Allows SLCo to keep have a voice in this process moving forward. Demonstrates commitments to other communities and to the environment.
- Gives unincorporated residents a “energy choice.” Currently (with small exceptions) Rocky Mountain Power Customers are limited to the energy mix the utility uses. By creating this program residents and businesses will have a choice between their traditional power bill/ energy mix or the new program with will be 100% net renewable energy. (Other options do exist but are limited in scope or unavailable at this time.)
- This is not final decision-making point for SLCo so there is an off-ramp for the County at the next level in the program implementation, if needed.
- Funds have already been appropriated for the first phase. Council appropriated \$40,000 in the Regional Projects Fund budget for 2021, with the expectation it would be the first of a two-year commitment.
- Kern’s Metro Township is especially excited to part of the program citing a strong interest in air quality and renewable energy.