

RESOLUTION 2018-094
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ESTABLISHING A COMMUNITYWIDE 100% RENEWABLE ELECTRICITY GOAL

WHEREAS, the City of Fort Collins is one of four founding municipalities of the Platte River Power Authority (Platte River), one of Colorado's most successful examples of regional utility authority collaboration, and one which provides Fort Collins with highly reliable electricity at the lowest wholesale cost in the state; and

WHEREAS, Platte River's operational principles include balancing financial sustainability, reliability, and environmental stewardship, including a clean energy system that is responsive to evolving markets and emerging technologies, as well as a diverse portfolio for resilience; and

WHEREAS, on March 3, 2015, City Council adopted Resolution 2015-030, recognizing the *2015 Climate Action Plan Framework* ("*2015 CAP Framework*"), which contains a significant analysis of the strategies necessary to reduce Fort Collins's community-wide greenhouse gas emissions and established goals to reduce emissions to 20% below 2005 levels by 2020; and additionally, established the goals of reducing emissions to 80% below 2005 levels by 2030 and to be carbon neutral by 2050; and

WHEREAS, on December 15, 2015, City Council adopted Resolution 2015-115, approving the *2015 Energy Policy*, which includes a goal of achieving 20% renewable electricity by 2020, with 2% from local installed distributed generation; and

WHEREAS, the *2015 Energy Policy* identifies distributed energy resources, such as conservation, efficiency, building codes, and solar as effective mechanisms to meet the electricity needs of the community; and

WHEREAS, data and research collected by City staff indicate that in 2017, community-wide electricity emissions represented 51% of greenhouse gas emissions; and

WHEREAS, in outlining the necessary steps, the *2015 CAP Framework* 2030 community carbon emissions were estimated to only be at 73% below 2005 levels, indicating the City's need to identify additional strategies and steps to meet the 2030 goals; and

WHEREAS, based on community input, Councilmembers directed staff at the July 3, 2018 meeting to engage the community in a dialogue about the assumptions that must be met to achieve a community-wide 100% Renewable Electricity goal; and

WHEREAS, based on information received during this engagement, the *2015 CAP Framework* and the *2015 Energy Policy*, the City Council makes the following findings regarding pursuing community energy goals:

- Fort Collins Utilities is ideally positioned to collaborate with Platte River and other partners to deliver residential and commercial energy services programs;

- converting natural gas and petroleum energy sources to electric sources for home heating and transportation could be increasingly important strategies to meeting community climate goals, and the emissions reduction success of these efforts is dependent upon a clean electricity supply;
- reliable and affordable electricity, with predictable and gradually changing rates, is important to attract and retain local businesses and spur economic health, which are vital to our community's success in a highly competitive and increasingly global marketplace;
- reliable and affordable electricity for residents and businesses, especially vulnerable populations is important in reducing housing cost burdens in the community, recognizing 33.8% of Larimer County residents manage housing costs that exceed U.S. Department Housing and Urban Development's standard of no more than 30% of household income being dedicated to rent/mortgage and utility costs, and highlights the importance of prioritizing affordability in implementing this community goal;
- electric system reliability is comprised of at least two aspects: the availability and quality of the power.
- Platte River has a history of aligning procurement of resources when timing and cost effectiveness are right, and in 2018 demonstrated it can purchase renewable electricity at a scale and cost commensurate to power generated from some fossil fuels on an energy basis and began a path to reach approximately 50% renewable electricity mix in its portfolio by 2021;
- studies, such as one published in the Proceedings of the National Academy of Sciences in 2017, suggest significantly higher percentages (up to 80%) of renewable electricity could be achieved in the U.S. grid in both a cost-effective and reliable manner;
- the transformation of energy technologies and systems to achieve flexibility through innovation is expected to evolve rapidly domestically and internationally over the next several decades, including grid management systems, distributed generation performance, active end user device management systems, and rate structures to facilitate systems integration;
- electricity transmission and distribution infrastructure and delivery system investments will need to be increased and must become integrated;
- technologies associated with all types of electricity storage, including batteries, could continue to develop rapidly in terms of capacity, life-expectancy, and affordability, presenting the opportunity to utilize storage with renewable electricity sources by 2030 or sooner; and
- participation in a regional electricity market is an important means by which to meet expected needs for transmission, integration, and balancing of future renewable electric resources associated with the City's goals; and

WHEREAS, in 2018, Platte River began updating its *Integrated Resource Plan* with an expected release date of 2020, and has committed to evaluate a 100% renewable electricity scenario in addition to analyzing new resource options, a revised baseline, organized energy market impacts, a regional economic model to capture the impacts of electric rate changes and a formalized action plan defining and addressing renewable targets; and

WHEREAS, subject to annual appropriation by City Council, proposed updates to the Fort Collins 2015 CAP Framework and Energy Policy will align with Platte River's updated *Integrated Resource Plan*; and

WHEREAS, staff has received and considered feedback from numerous stakeholders and six boards and commissions, including Youth Advisory Board, Affordable Housing Board, Energy Board, Air Quality Advisory Board, Economic Advisory Commission, Natural Resources Advisory Board, Fort Collins Partners for Clean Energy, Chamber Local Legislative Affair Committee, CEO Round Table, and the Climate Action Plan Community Advisory Committee; and

WHEREAS, feedback from stakeholders and the boards and commissions included the following key themes:

- Areas of agreement included the support for frequent check-ins on the goals, the critical importance of affordability and reliability, the importance of evaluating the lifecycle costs and impacts of all forms of energy, and the importance of using goal-setting language;
- Areas of disagreement included how to define reliable electricity, how to quantify all of the three principles, and managing the goal coming before the planning processes;

and

WHEREAS, staff evaluated this feedback and believes the integration of the planning processes shall address these areas of agreement and disagreement through a robust public engagement process; and

WHEREAS, in light of the foregoing, the Council desires to establish a community-wide goal for renewable electricity, as set forth below.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That the Council hereby establishes the goal of a 100% renewable electricity supply to the City from Platte River supported by the Fort Collins Utilities distribution system by 2030, without compromising the three principles of affordability, reliability, and environmental stewardship for Fort Collins Utilities, Platte River, and our community.

Section 3. For the purposes of this Resolution, *renewable electricity* includes non-fossil fuel sources, such as electricity derived from wind, solar, hydroelectricity and geothermal sources and other means that may become available and do not add greenhouse gases to the atmosphere.

Section 4. That the Council hereby expresses support for inclusion of these goals into Platte River's Resource Diversification Policy and Platte River's updated *Integrated Resource Plan*, and Platte River's related efforts, such as its pursuit to join an organized energy market.

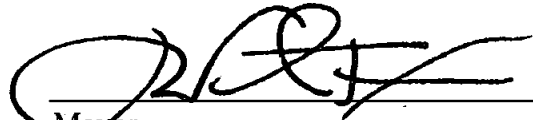
Section 5. That the economic health of the area depends on universal access to clean, affordable, and reliable energy resources, and the Council recognizes new information regarding cost-effectiveness or achievability may emerge between 2018 and 2030, and this goal should be reviewed periodically, and at least no less frequently than at the time Platte River is considering and adopting updates to its *Integrated Resource Plan*, to promote and support efforts to achieve 100% renewable electricity as a cost-effective, reliable, and impactful strategy to achieve Fort Collins greenhouse gas goals.

Section 6. That the City organization and the community must lead by example in this area by working with Platte River and establishing a goal to achieve a 100% renewable electricity portfolio for the City's operations before 2030, in light of the three principles described in Section 2.

Section 7. That the City organization must play an important role to build partnerships, inspire community action, and promote involvement by all segments of the community (local businesses, governments, utilities, schools, universities, non-profit organizations, homeowners, and other individuals) toward reducing community-wide greenhouse gas emissions.

Section 8. That the City Manager is further hereby directed to prepare each calendar year a report tracking progress toward attaining the goals established herein, in alignment with the annual community-wide greenhouse gas emissions inventory and related protocols, and listing quantified actions for the preceding calendar year and an analytical evaluation of how the three principles have or have not been maintained through implementation of this goal, as adopted in Resolution 2015-030.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 2nd day of October, A.D. 2018.



Mayor

ATTEST:



City Clerk

