

AGENDA ITEM SUMMARY

August 18, 2015

City Council

STAFF

John Phelan, Energy Services Manager

SUBJECT

First Reading of Ordinance No. 095, 2015, Appropriating Grant Revenue into the Light and Power Fund for the Integrated Utility Services (IUS) Project.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$125,000 in grant revenues from the American Public Power Association into Fort Collins Utilities Light and Power Operations fund to pilot an enhanced delivery structure for energy efficiency and renewable energy projects. The project will be implemented through the Efficiency Works Home program in collaboration with Platte River Power Authority. Matching funds will come from existing appropriations in Resource Conservation and incorporate an additional \$25,000 from Platte River.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading

BACKGROUND / DISCUSSION

The American Public Power Association (APPA) maintains an ongoing research and development grant program titled Demonstration of Energy & Efficiency Developments (DEED). Fort Collins Utilities succeeded in receiving DEED grant approval for a project titled "Integrated Utility Services (IUS)" in the amount of \$125,000. The grant period is from June 1, 2015 through September 30, 2016.

The objective of the pilot project is to positively impact the local community, environment, and individual homeowners by delivering a new model of efficiency program for existing homes (the Pilot). The streamlined pilot version of the Efficiency Works Homes (EW Home) program with integrated financing will aim to increase the number of participating households, as well as the energy conservation in each home, thereby helping to meet the City's Climate Action Plan.

The Efficiency Works Home (EW Home) program initially launched in summer 2014 in Fort Collins, Loveland, Longmont and Estes Park. The program is administered by CLEAResult under contract with the Platte River Power Authority. EW Home closely replicated the prior Fort Collins Home Efficiency Program with audits, energy advising, rebates, contractor lists and quality assurance.

The pilot project will:

- Provide the blueprint of how to increase the number of projects, the scope of those projects, and energy savings of projects.
- Better understand homeowner motivations, barriers, and benefits. The customer feedback will be used help determine the structure of an expanded EW Home program.
- Test messaging to a targeted customer groups based on home age, construction type and energy use.
- Test the use of discounted, comprehensive energy improvement packages, sorted by house type and heat type.

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- Test a new delivery model of home performance, where coordination of local trade specific contractors is coordinated on behalf of customers.
- Test the integration of Utilities On-Bill-Financing (aka HELP) into the package offer for customers.

CITY FINANCIAL IMPACTS

The appropriation of these funds will enable Utilities to move forward with the pilot project. Matching funds are from existing appropriations. Platte River has pledged an additional \$25,000 which is managed through the EW Home program per an existing IGA with the City of Fort Collins.

ORDINANCE NO. 095, 2015
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING GRANT REVENUE INTO THE LIGHT AND POWER
FUND FOR THE INTEGRATED UTILITY SERVICES (IUS) PROJECT

WHEREAS, the Light and Power Utility Energy Services Division has received a grant from the American Public Power Association for \$125,000 for a pilot demonstration project of an enhanced delivery structure of energy efficiency and renewable energy projects for Utilities customers known as the Integrated Utility Services Project (IUS); and

WHEREAS, matching funds of \$125,000 will come from existing appropriations for Energy Services and include \$25,000 from Platte River Power Authority per an existing IGA with the City of Fort Collins; and

WHEREAS, the grant period is from June 1, 2015 through September 30, 2016; and

WHEREAS, the project will be implemented through the Efficiency Works Home program in collaboration with Platte River Power Authority; and

WHEREAS, the Efficiency Works Home (EW Home) program launched in summer 2014 in Fort Collins, Loveland, Longmont and Estes Park and is administered by CLEAResult under contract with Platte River Power Authority, closely replicating Fort Collins prior Home Efficiency Program with audits, energy advising, rebates, contractor lists and quality assurance; and

WHEREAS, a streamlined version of the EW Home program with integrated financing aims to increase not only the number of participating households, but also increase the energy conservation in each home, thereby helping to meet the City's Climate Action Plan; and

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff have determined that the appropriation of the grant revenue as described herein will not cause the total amount appropriated in the Light and Power Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated for expenditure from unanticipated grant revenue in the Light and Power Fund the sum of ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000) for a pilot demonstration project of an enhanced delivery structure of energy efficiency and renewable energy projects for Utilities customers known as the Integrated Utility Services Project.

Introduced, considered favorably on first reading, and ordered published this 18th day of August, A.D. 2015, and to be presented for final passage on the 1st day of September, A.D. 2015.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 1st day of September, A.D. 2015.

Mayor

ATTEST:

City Clerk