



Western San Juan Regional Community Energy Board
Meeting Minutes
February 1, 2011 3:00 p.m.
Ridgway Town Hall

Present: Kim Wheels, Elaine Fischer, Chris Hawkins, Bob Risch, Pat Willits, Brad Zaporski, Karen Guglielmone, Todd Brown, Deanna Drew, Kris Holstrom

By phone: Stu Fraser, Kurt Johnson, Ken Haynes

- 1) Advisory Board members – Activity Update (10 min)
 - a) Deanna Drew – microhydro feasibility – looking better – changes to proposed pipeline will make the project more efficient. Can use net metering – will try to put 2 turbines in budget and start permitting next year. Could be 10-15% of the town's water pumping. Project will be constructed in 2014. Deanna will send the data around to the group. "Tank to tank water line." One was 35 and one was 25 kw.
 - b) Ouray looking at second microhydro project as well. Will put tank next to existing one but will be equipped for 75 kw system.
 - c) Wastewater treatment plant solar is operational and ribbon cutting was last week.

- 2) TNCC Program Update (5 min)
 - a) EcoAction Program – Participant training launched Friday, January 14. Update.
Good attendance at event and several signed up. Still want people to sign up to participate. Several interested businesses – will gear them towards MSEI but include in educational events.
 - b) CEC Mtg updated schedule – a revised schedule was sent around. February will be focused on schools. April will be in Vail and focused on ski area issues. All are welcome to participate.

- 3) GEO Update (15 min)
 - a) Both Silverton and Ophir may participate in the streamlined hydro process that GEO put out. Ouray MAY be able to. Telluride's timing won't work this go round.
 - b) UCDenver GHG Inventory program –
 - i) Contract discussion – baseline question – what is the year to use? Okay for baseline. It will be a new inventory and be a combined regional report. It will include a larger group of data. We will get one inventory and one spreadsheet with calculation methodologies. They also include how specific actions could affect the whole. We will have the spreadsheet info – but to get individual numbers we'll have to manipulate the data ourselves.
 - ii) Method for obtaining approval for funding from govts? Each government will take the lead on the requests. TNCC will be the central communication point.

- iii) Data collection & methodology document – 2009 for baseline year is okay. Chris will want specific definitions for each category. Should be how it's evaluated through the assessor. Brad asked about the 'out of boundary' inputs and Kim indicated that some things will be included. We would like to get a peek at their methodology for out of boundary items so we can follow up with measuring in the future if at all possible. Chris asked about the per capita aspect of the analysis and wanted to be sure of what was included in the MV data, eg the Gondola's power use should be a separate item not attributed to MV. Kim will confirm that they will – and that they will include the tourist numbers as in Routt County. Stu asked about info from GEO about other communities' success or challenges with reach goals. Kurt mentioned Aspen and Boulder have information along those lines.
- iv) 1-Day intensive Workshop at end of May for all policymakers, staff & advisory board as project nears completion.
- c) GEO MSEI Program – program details & schedule. Contract finalized. Kim emailed/handed out Program Details for Communities. Brad clarified that the only things the rebates are for implementation - thermostats, lighting upgrades and HVAC. Kim needs to clarify that many other rebates are available through SMPA – and the businesses should NOT lose eligibility for additional rebates. Definitely don't want one rebate program to cannibalize another. TNCC could then tell the businesses that there are more rebates available beyond the ones in this grant. Kim will also clarify whether the funds are available for the assessments as there has been conflicting information that has come out. Kim will also get a ball-park on a business assessment. Non-profits are included as a business. Training and education will be open to all businesses, but Kim sees outreach as focused first on those who have submitted an MOU.
- 4) SMPA's net metering program (Brad – 5 min) – Helping to implement distributed energy in this region. Net metering program is guided by state legislature and apply to all coops around the state. Help deploy distributed renewable energy systems within the territory. SMPA has about 90 net metered accounts – all solar except one in Ouray. SMPA is obligated to let people put RE on their home or business – and can use the grid as a 'battery'. Greatly improves the economics of the RE generation. There are caps on sizes of systems. Residence – 10 kw state mandated cap. Business – 25 kw state mandated cap at each connection.

You get the retail rate for energy used on a one to one basis. Every kwh you produce up to the amount you use at that location is paid at the retail rate. There will still be taxes and access charges on your bill. Energy is created and used at the closest load. Whatever is not able to be used immediately flows back onto the grid.

SMPA records how much energy they are producing that is NOT being used by the system at that moment. That amount is credited to the next month's bill. All summer many will produce in excess of what's used. All those credits are tallied. In the winter those credits can be used since the production is usually less and the demand is usually more. At the end of the winter if you hadn't used all the credit you gained in the summer – SMPA 'trues up' in June. Check is not cut at retail rate – rather the wholesale rate (about 2-4 cents/ kwh). On the net metering there is a REC purchase agreement. SMPA retains the RECs from any net metering project for a period of 10 years. RECs are worth money in some markets.

A net metered person ‘gets out’ of paying O&M by avoiding the retail rate – cross-subsidization. All other rate payers absorb that cost. So by retaining the RECs SMPA is able to sell those to offset the cross-subsidization. REC purchase is mandatory for the rebates. Up to \$9000 for residential and up to \$15000 for commercial. Building officials need to know that the ‘environmental attribute’ the REC has been stripped from the RE. Laws are murky in this area. You lose the ability to make the claims that the energy is green. Reducing the consumption of non-renewables. Can say “We are getting energy from a renewable source.” Avoid the ‘runs on renewable energy’ claim.

Easy way to offset is to buy RECs. There are many places where people can buy RECs (including SMPA). Buying RECs is a way to incentivize in the bigger picture. Telluride WWTP – SMPA has a cap of 25kw of RE. The TOT went to the SMPA BOD and asked to go over that cap (100 kw). In the net metering agreement that they signed SMPA retained the RECs. It would have been much less attractive to SMPA otherwise. They do sell them and use them to fund rebates. Voluntary and involuntary credit markets.

Discussion of the role of RECs and the educational aspects to reduce energy use. One is reducing, one is replacing – third is efficiency.

Green Gondola – financing is coming with a promise that the person who makes the donation retains the ‘environmental attribute’. If these are net metered accounts – they can’t sell the ‘environmental attribute’. Need to look at the marketing / advertising issue and structure of the program and be very careful about the wording. Fraud is becoming more and more of an issue.

SMPA is selling their RECs (green blocks) for \$1.00 for 100 kwh. It is very little money in terms of the local building codes. One hundred percent of the proceeds go back into rebates and other RE and efficiency programs into our service territory.

Currently “virtual net metering” is illegal according to Brad though the state legislature. Community solar farm operates differently than ‘virtual net metering’.

In a Power Purchase Agreement the REC ‘sale’ is negotiated.

Would be useful to have an additional meeting with Chris Hawkins, Brad Zaporski, Deanna Drew, Karen G, Kim, Ridgway and San Miguel County at least.

Chris asked about determining if these homes are continuing to pay for the green blocks. They could request a utility bill at any time and it says on the bill if green blocks are covered.

- 5) REC’s 102. (Kurt - 5 min) - In reality no one will go after claims being made by residences. When municipal, commercial and industrial claims are involved it can be an issue.
- 6) Green Gondola Campaign – TNCC / Bob Delves - explanation of program structure (5 min)
- 7) STRATEGY (45 min)
 - a) Government presentations & plan discussion – SMC Feb. 2, ToT Feb. 8, Ouray Jan. 31 Mountain Village is coming up Feb. 17th. Discussion as to what is expected from each government to bring Chris Hawkins up to date.
 - b) TNCC Website – document & history / explanation loaded. Under further development.
 - c) Stakeholder input

- i) SMPA presentation update
- ii) Email contact lists needed from Board / staff – Todd has a list of HOA’s. It would be great to send out an announcement to all on that list. Suggestion of using Green Business Roundtable – Merchant’s Association, Nichole Zangara.
- d) Public meetings – schedule, draft presentation under development...Question from Kurt about whether it would be wise to wait until there is more detail from each government? Consensus was to get the info out with the caveat that we want public input and need to get some of it as soon as possible. Ouray’s path forward is toward adoption of their local energy action plan – starting with public input and moving to council adoption. Will need annual updating. Basically stating that this is our philosophy. Elaine – could be a general resolution or in a work plan.
- e) Bob Risch will be the EAC for Ouray at this point in time. Nina may be from San Miguel County. Each jurisdiction is responsible for doing so.
- f) Further utility data analysis TBD – update STRATEGY, per capita, other?
- 8) Water / Energy Nexus – Watergy Webinar recap (15 min) – postponed until next meeting – power point has been circulated by email.
- 9) Draft Schedule of Meetings – WSJCEB & when to start EAC’s (10 min)
- 10) Next meeting – February 22, 3:00. Placerville. Then potentially once a month after that – and start meeting with the EACs. Discussion of future role of WSJCEB and how the EACs interact with the WSJCEB and the regional governments.