

**City of Arcata Energy Committee
Annual Report to the City Council**

July 2011

The Energy Committee meets on the third Monday of each month and serves in an advisory capacity to the City Council, City Manager, and City staff in energy matters related to policies, management, and projects.

Committee members include:

Ruthanne Cecil	Andrew Kulchin, Chair	Jim Zoellick
Peter Alstone	Nate McKeever	Sarah Schneider, Staff Liaison
James Robinson	Andy Sorter	Karen Diemer, Staff Liaison

I. ACCOMPLISHMENTS

The Energy Committee has been involved in the following activities since the last Annual Report was submitted to the Council in July of 2010:

Education and Outreach – The Committee has worked with the Energy Program Specialist to conduct community outreach activities. These include: Tabling at the North Country Fair and the Plan It Green conference and promoting events for Energy Awareness Month in October.

Recommendation to Council on Community Choice Aggregation (CCA) – The Committee spent a series of meetings evaluating the benefits and feasibility of the City implementing its own CCA program or joining Marin Energy Authority’s *Marin Clean Energy* program, per Council Priority #30 (2010). The Committee recommends to continue gathering more information about CCA and to proceed with caution in the consideration of joining a CCA, in parallel with conducting outreach to other local municipalities and the County for a broader effort to increase our renewable energy portfolio, which includes reaching out to Redwood Coast Energy Authority and Pacific Gas and Electric. The Committee also recommends against establishing Arcata’s own CCA program or municipal utility.

Recommendation to Council on High Electricity User Utility Tax (High Energy Tax) –

Per Council Priority #31 (2010), the Energy Committee was directed by the Council “to investigate a tiered taxation structure on energy utilities for excessive residential users within various categories” and to evaluate the feasibility of implementing a utility tax.

Electricity use by Arcata’s residences is growing at an alarming rate. Compared to the State of California as a whole, Arcata’s residential electricity use is growing over three times faster. This is attributable to a small number of residences that are using excessive amounts of electricity. This is having serious detrimental effects on Arcata’s efforts to meet sustainable energy and greenhouse gas reduction goals. In an effort to discourage high electricity use and to raise revenue to fund energy efficiency and renewable energy efforts, the Committee has extensively explored the possibility of implementing a high energy tax.

The Committee recommends that the Council consider a change to the existing utility user tax in an effort to raise funds to reduce the new greenhouse gas emission impacts that are associated with a large increase in energy usage in Arcata's residential sector. The Committee recommends a five cent per kilowatt hour increase to the existing utility user tax only for residential households whose energy usage exceeds the 300% baseline allocation. The committee recommends that the council exclude both Care customers and those who have medical provisions approved by PG&E. The committee strongly recommends that the funds be used to implement a more robust Energy Program that will work to offset this continued increase in greenhouse gas emissions resulting from the high energy usage in the residential sector that includes a full-time Energy Program Specialist, implementation of the greenhouse gas reduction plan and investments in local clean energy efficient and renewable programs.

Collaboration with Transportation Safety Committee – The transportation sector is a big contributor to the City's greenhouse gas emissions. To address this, the Committee has been exploring ways to promote sustainable transportation, especially non-motorized modes of travel (e.g., bicycle and pedestrian). The Transportation Safety Committee, as part of the Bicycle and Pedestrian Master Plan, is also trying to promote alternative modes of travel in an effort to achieve a goal of 50% non-motorized transport in Arcata by 2020. To advance these mutual goals (non-motorized travel and greenhouse gas reductions), the Transportation Safety Committee and the Energy Committee have held a series of joint meetings since July 2010 to develop a framework for a three-year blueprint to promote sustainable transportation initiatives.

Energy Policy Positions – The Committee supported staff's recommendation to Council to approve Resolution 101-35 in opposition of Proposition 23, which, if passed, would have suspended the Global Warming Solutions Act of 2006 (AB 32). The Committee also made a recommendation to Council to not support AB 37, which would require the California Public Utilities Commission (CPUC) to direct PG&E to identify and provide its customers that decline the installation of wireless advanced metering devices (SmartMeters) with alternatives and opt-out options. This bill would also require the CPUC to direct PG&E to suspend the deployment of SmartMeters until the CPUC has complied with the aforementioned requirements.

Joint Meeting with the Forestry Committee – The Committee met with the Forestry Committee to discuss the implications of biomass and carbon sequestration. More joint meetings are planned for the future.

Collaboration with Redwood Coast Energy Authority (RCEA) – The Committee continues to consult and work collaboratively with RCEA on numerous energy and climate-related issues.

II. GOALS FOR COMING YEAR

In the coming year the Energy Committee hopes to:

- Assist City in re-establishing a greenhouse gas reduction;
- Find funding for full-time Energy Program Specialist;
- Explore community solar programs;

- Further explore the development of a green building program for the City of Arcata in the context of the new county-wide program and based on green building measures laid out in the 2010 California Green Building Standards Code (CALGreen);
- Assist with the development of the City's time-of-sale program;
- Continue to collaborate with RCEA and promote their services;
- Continue to work with the Transportation Safety Committee to promote non-motorized modes of travel and to implement project ideas;
- Find ways to better engage the community in our GHG reduction efforts;
- Continue conversation on carbon sequestration and biomass with the Forestry Committee;
- Help the City obtain more alternative fuel vehicles for the City fleet;
- Reach out to the Eureka Energy Committee;
- Facilitate dialogue between City and the Renewable Energy Secure Communities (RESCO) program (i.e. informational presentation to Council);
- Help City to develop a community electric vehicle action plan.