

## **MARIN CONSERVATION LEAGUE**

### **Climate Action Working Group: June 26, 2015**

#### **Tamalpais Conference Room, 175 N. Redwood Blvd., San Rafael**

Present: Co-chairs Pam Reaves and Doug Wilson; also, Heather Furnidge, Rick Fraites, Ed Mainland, Judy Teichman, Bob Spofford, Tom Flynn, Susan Robinson, Mary Morgan, Tamra Peters, Bill Carney, Pat Nelson, Kiki La Porta. Also present: Allison Hang, MCE guest speaker; Damon Connolly, Marin Supervisor.

Doug opened the meeting at 9:10.

**Quick Intros:** Attendee introductions.

**Approval of the Agenda:** Agenda was approved with Doug noting the substitution of Allison Hang for Alex DiGorgio. Alex is currently working mostly in the East Bay, and Allison's turf is in Marin. MCL is looking for a person to interact with on a long-term basis.

**Approval of Minutes:** Minutes from the May 15, 2015 meeting approved. Comment: Like the new format from Kate Powers.

#### **Introduction of MCE speaker Allison Hang and summary of objectives**

Doug stated MCL's recent concern with MCE's energy efficiency issues, especially outreach. MCE has done a great job sourcing clean energy, but outreach is a knottier issue. Few people know what MCE has to offer, and MCL would like to help in getting the word out. Doug noted Main Street Moms' survey. Our focus is on getting the clearest, simplest answers possible.

#### **Guest Speaker Presentation and Discussion**

MCE is developing training for advocates going out into the community. Thanks to Main Street Moms for their efforts. . . .

#### **Mary Morgan's Summary of Main Street Moms' efforts**

The Moms' original purpose was to get more people to sign up for MCE's Deep Green program. When they went out into the community, they found that people had many questions that were difficult to answer. They are meeting on Monday to form the outlines of a training program addressing technical issues and how to talk to people. MCE would benefit from partnering in this effort, which can then be used by other communities. Get groups talking to each other.

#### **Return to Allison's Presentation**

MCE is committed to helping us to answer questions. When dialogue/sign-up efforts come from the community, it is more powerful. MCE is working on providing materials and training for local advocates and explaining local solar options.

## **Audience Questions and Dialogue:**

Members of the Committee presented some specific questions for which they would like answers for their constituencies.

### **Q. How can Sustainable Novato promote use of local solar energy sources?**

Further comment by Ed. Novato has a solar array at the quarry. We should be able to get more from this. It should be available to people. There is a wait list of 60 people and a full capacity of 200.

Create marketing materials for solar sharing and state law.

With Local Sol, anyone in MCE's service area can use solar power, owners, renters, and anyone with rooftops.

But some people can't install solar due to shady locations or other reasons. Is there anyone from MCE that we can contact regarding this issue?

### **Q. What is the price trajectory for energy?**

Historically, the PG&E trajectory has been 6%/year. It is difficult for MCE to predict its cost trajectory, possibly 3.2 – 3.4% per year.

There is an article by Bill McKibben in the New Yorker regarding the “death spiral” of utilities, in which he posits that the traditional model is not sustainable.

Allison clarified that PG&E is shifting from generation to distribution of energy. It is reaffirming its position in distribution, not subject to renewable energy pressure, and seeking to improve and localize distribution.

Regarding costs of leasing rooftop solar from a solar company, Allison is not sure of the rate but will research this question. The leasing company is financing the installation and assuming risk, taking all rebates.

### **Q. Some solar contractor installers have advised callers that the most cost-effective thing they can do is to dump MCE.**

Allison: This advice is incorrect. MCE Light Green is a better deal than PG&E 95% of the time.

Members suggested that cost is not the sole or main reason for many people who install solar. Their rationale is to increase the amount of renewable energy coming into the system. This should be part of every conversation.

**Q. [to Damon Connolly] Has the County established a program for building solar arrays?**

Damon: This is still in progress under Katie Rice. Language is being drafted over the summer and there will be a report at the end of summer. This entails work on the existing code.

**Q. How can MCL and others do more to cooperate with MCE re energy efficiency issues at the CPUC?**

Allison will send contact information to Ed.

**Q. What is MCE doing to reduce dependency on unbundled RECs; is it moving to divest as Sonoma has done and San Francisco will do? Is there a strategy and timetable to move to local distribution renewable energy systems in the MCE area?**

All renewable energy has a credit associated with it. The Renewable Energy Certificate is a methodology created by the PUC to account for renewable energy, a way to track fossil-fuel and renewable-energy electrons. The certificate “credits” points for renewables as energy gets traded and bundled as a commodity. When energy is bundled, one is buying power and the renewable energy attribute together. When energy is unbundled, one is buying the renewable-energy attribute separately.

Under the California Renewable Portfolio Standard, the difference is between buying in-state and out-of-state. MCE Deep Green is buying primarily out of state. In Sonoma County, Deep Green uses 100% local renewable energy from the geysers. There is no unbundled REC because a REC is not needed for accounting purposes.

**Q. We haven't received an understandable definition of the “Buckets” especially as they relate to bundled RECs?**

In Buckets 1 & 2, MCE is buying the power and renewable-energy attribute together. Bucket 1 consists of renewable energy resources located within or deliverable to the state. In Bucket 3, MCE is buying unbundled RECs. Bucket 0 is grandfathered sources.

Under the Renewable Portfolio Standard, the percentage of renewable energy increases over a set of compliance periods.

In 90% of PG&E sources, we don't know what the energy includes in terms of in-state or out-of-state sources.

**Q. We need clarification regarding RECs (Renewable Energy Certificates). Does an unbundled REC create/incentivize development of renewable-energy sources? How do we answer a gadfly like Jim Phillips, whose letters to the editor and arguments against RECs have an emotional appeal to people who don't understand electricity?**

MCE is moving in that direction now, and Deep Green has produced real local renewable sources. MCE invests half of its Deep Green premium in local renewable energy. MCE has two separate products, whereas Sonoma has one.

FIT (Feed-in Tariff) is a local program for local development of renewables. There is still space for new projects under this program. There is also a biogas program to reduce GHG emissions. Other programs include Solar 1, which Deep Green customers help to fund. The Local Sol program will hopefully be fully subscribed. General procurement policies require a portion of energy requirements to be procured in the Bay Area.

The percentage of renewables in MCE Light Green is 56% and rising. There was a 5% uptick in one year. This compares to 27% for PG&E. MCE is cost-competitive and the plan commitment also includes increases in the amount of renewables.

**Summary by Allison:** MCL's questions will go into the mix when training is formulated. Allison has a good idea of questions for training. Do we need a support person?

**Further comments by members:** (1) There should be a business plan to target opt-outs. (2) A big-picture approach is best for a large percentage of the audience. (3) There should be a timeline/strategy for erasing the difference between Light Green and Deep Green. Bob Spofford: Such a document exists; it's the Procurement Plan. (4) Use a video approach to explain issues. (5) There is an MIT(?) study of biomass, which is counted by the state as a renewable; this is worse than coal from an emissions standpoint.

**Action item:** Get Dru to send out the study on biomass.

Additional comment re weatherization programs: Is this money well spent, or not? Overall, energy efficiency is the most cost-efficient method to save energy, but not every method is cost-effective. Residential retrofits pay off in approximately 100 years. Summary: energy efficiency – 20% yield = 12 – 15% Return on Investment. The state goal is 40%. Energy audits generally: promote efficiency.

## **Member and Other Reports**

### **Report on Giacomini Dairy Event: Judy and Tom**

Bob Giacomini hosted a great tour of his dairy on Saturday, June 20. Bob operates the Giacomini Farm and the Point Reyes Farmstead Cheese Company with his four daughters. Speakers at the event were Bob, Tom Flynn of the TSF Group, and Jeff Creque, co-founder of the Marin Carbon Project and a Director at the Carbon Cycle Institute. They spoke on the topic of Meeting Energy and Environmental Challenges.

The Giacomini dairy helped to pioneer the use of methane digesters in the North Bay. They have also done a great job of diversifying, and practice sustainability in other areas such as water recycling.

Their methane digester contains methane from the dairy and burns it to produce energy, supplying 50% of their needs. Methane digesters are especially important in light of the economic pressures that affect dairies. The usual pressures, which have resulted in a

substantial reduction in the number of local dairies, have been compounded by drought pressures that have forced dairies to ship in feed and water.

Use of methane digesters has benefitted from legislative prioritization of methane emissions. The legislature has authorized use of cap-and-trade funds for digesters.

Digesters are most effective at a large scale. In addition to power production, a further benefit of the digester is the ability to use solids from the digester for composting and carbon sequestration. Use of a digester is a logical step in an energy audit. The benefits are comprehensive and reflect economies of scale. MCE has provided positive feedback.

Groups of dairies have collaborated to purchase digesters. The North Bay Dairy Alliance is an example of this trend. Giacomini/the Alliance plan to work directly with dairy owners to form a collaborative. All key players and allies of dairies are involved. The objective is to tailor incentives to reward energy savings directly.

**Action item:** Recommend to the board that MCL send a letter of support to MCE re funding of energy audits and the priority given to efforts such as this. Set up a subcommittee to draft the letter.

**Report from Damon Connolly:** Damon is requesting feedback on an idea. He suggests that the County develop a climate action plan structured similarly to the plan re mitigation of sea level rise and adaptation, and dovetailing with that plan. There is currently no systematic way to assess how the County is delivering on this climate change issue.

Individual cities have plans that include regular meetings and prioritization of efforts. Damon suggests that there should be a similar approach at the County level. There would be an implementation committee consisting of Damon and Kate Sears and staff members. The County would provide a “convening presence,” particularly on vulnerability issues. It would provide an opportunity to communicate, shared intent and analysis and language.

**Questions/Comments:** Is there a way to loop in individual cities, to report their progress? The County Plan is only for unincorporated Marin.

### **Report on CPUC matters: Begun by Pat, explained fully by Ed**

PUC proceedings regarding the implementation of AB 327 have reached a critical point. AB 327 authorized the PUC to flatten the tiered rate structure, removing protections that limited costs for low-consumption households. It also authorized the utilities to add to monthly bills a fixed charge that would rise over time. Utilities are seeking the current maximum permissible fixed charge of \$10/month.

There are two decisions pending at the PUC, an industry-friendly proposed decision supported by President Picker, which would maximize the flattening of rates and the fixed monthly charge. An alternate proposed decision supported by Commissioner Florio would entail less flattening of rates and instead of a fixed monthly charge would establish a minimum bill to ensure that all customers contribute to maintaining the grid. The minimum bill is considered

less onerous than the fixed monthly charge because the fixed charge is imposed before the customer uses even one KWH of energy. The Sierra Club is spearheading an effort to mobilize support for the Florio alternative. Supporters can use the Sierra Club alert to blitz the CPUC. Ed has been attending proceedings at the CPUC and suggested that the top tier rate remain the same.

Question: Is there a potential for a lawsuit similar to the lawsuit against MMWD, regarding tiered rates and the requirement that rates not exceed the cost of providing service.

### **Report on Community Marin: Rick**

Rick is setting up meetings with the Supervisors to discuss issues currently boiling out. These include SLR, IPM, SMART relocation, RTMP, and the replacement of Linda Dahl.

### **Report on Sustainable San Rafael: Bill**

On November 5, Sustainable San Rafael and Organize for Action are convening a group to work with Jared Huffman on an event to “amp up” climate action. The U.S. presidential election and the U.N. climate meeting form the context for this event. There will be a planning meeting on July 8.

### **Report on Resilient Neighborhoods: Tamra**

Four more teams have formed to work on reducing carbon emissions. Carbon has been reduced by 206,000 additional pounds. Tamra reported the relative rankings of Marin cities. San Rafael is currently in first place, with 43% of households. The County and Fairfax are vying for second. The goal is to have twice as many teams, for outreach, to share resources, and to implement existing plans.

Twenty-five students went through the School of Environmental Leadership program.

### **Report on Main Street Moms: Mary (presented previously)**

**Next Meeting:** July 17, 9:00–11:00 a.m.

Items to consider:

- Implementation Plan
- Follow through on today’s discussion with Allison; boiled-down training plan
- Invite MCE person to discuss CPUC issues impacting MCE; tell us how we can help
- Update on Damon’s plan

Meeting adjourned 11:20 a.m.

Notes: PN

Post-Meeting Note: Allison sent Ed the name of MCE’s regulatory counsel: Michael Callahan-Dudley. Mr. Dudley can help MCL with ways to be involved in CPUC advocacy. His email is: [mcallahan-dudley@mcecleanenergy.org](mailto:mcallahan-dudley@mcecleanenergy.org) and his phone number is 415-464-6045. Allison

also sent Ed a draft of a Local Sol flyer, with an invitation to comment. In addition, Allison stated that, as a resident of Novato, she would like to be more involved in Sustainable Novato in her personal time.

Minutes taken by Pat Nelson