

Portland, Oregon

FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Michael Armstrong	2. Telephone No. 36053	3. Bureau/Office/Dept. Planning & Sustainability
4a. To be filed (hearing date): 11/28/2012	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: 11/19/2012
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed

1) Legislation Title:

Achieve 100 percent renewable electricity for City operations by directing the Bureau of Internal Business Services and the Bureau of Planning and Sustainability to facilitate a purchase of Renewable Energy Certificates each year on behalf of all City bureaus.

2) Purpose of the Proposed Legislation:

Meet the City's goal, established in the 2009 Climate Action Plan, of supplying all of its operational electricity needs with renewable resources like wind, solar, geothermal, and biomass.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.
Not applicable.

5) Expense: What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the *level of confidence*.)

The cost of buying renewable energy certificates (RECs) to provide the equivalent of 100 percent of City operations electricity use for fiscal year 2012-13 is estimated to be \$220,000. This is a high-confidence estimate based on recent market quotes for RECs. This market is quite volatile, however, and costs in future years could vary widely.

The chart below outlines the net quantity of RECs that each bureau needs to purchase to achieve the 100% goal and the estimated costs for 2012-13.

Bureau	2010-2011 Electricity (MWh) purchased	Net RECs needed to reach 100% ¹	Estimated bureau cost to reach 100% renewables ²
Fire Bureau	2,909	2,743	\$5,100
Parks & Recreation	15,840	14,583	\$27,250
BES	38,712	24,046	\$45,000
OMF (includes Police)	18,005	9,907	\$18,500
Water Bureau	22,289	20,851	\$39,000
PBOT	49,212	44,980	\$84,000
TOTAL	146,967	117,110	\$218,850

¹ Net RECs take into consideration on-site generation, existing REC purchases and 5% utility-supplied renewables.

² Prices based on estimated cost for a mix of RECs that includes 63% from national sources, 34% from the Pacific Northwest, and 3% through PGE and Pacific Power's renewable energy programs.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount
------	-------------	-----------------	-----------------	----------------	-------	-------------------	--------

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☒ YES: Please proceed to Question #9.

☐ NO: Please, explain why below; and proceed to Question #10.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

The City will meet its goal to purchase 100% renewable energy by 2012 as directed by the 2009 Climate Action Plan. This will further underscore Portland's leadership role in reducing carbon emission and highlight our achievements to Portland residents and beyond.

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

To develop the 2009 Climate Action Plan, the City and County involved a steering committee representing over ten local agencies, and the Peak Oil Task Force, Portland and Multnomah County Sustainable Development Commission, and Portland and Multnomah County Food Policy Council.

c) How did public involvement shape the outcome of this Council item?

Before the 2009 Climate Action Plan was adopted, there were multiple public hearings on draft content and action items, including the direction for the City of Portland to generate or purchase 100% renewable energy by 2012.

d) Who designed and implemented the public involvement related to this Council item?

The Mayor's Office, Bureau of Planning and Sustainability and Multnomah County created and implemented the public involvement plan for the 2009 Climate Action Plan.

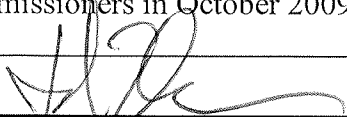
e) Primary contact for more information on this public involvement process (name, title, phone, email):

Michael Armstrong, Sustainability Manager, Bureau of Planning and Sustainability.

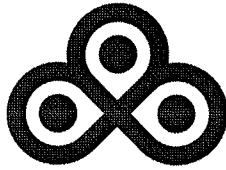
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No, the 2009 Climate Action Plan was adopted by Portland's City Council and Multnomah County's Board of Commissioners in October 2009.

Susan Anderson, Director




APPROPRIATION UNIT HEAD (Typed name and signature)



36983

Bureau of Planning and Sustainability
Innovation. Collaboration. Practical Solutions.

Council Transmittal Memo

DATE: November 19, 2012
TO: Mayor Sam Adams and Members of City Council
FROM: Susan Anderson, Director 

1. **Resolution Title:**
Achieve 100 percent renewable electricity for City operations by directing the Bureau of Internal Business Services and the Bureau of Planning and Sustainability to facilitate a purchase of Renewable Energy Certificates each year on behalf of all City bureaus.
 2. **Contact:** Michael Armstrong, Sustainability Manager, 503-823-6053
-
3. **Council Date:**
 4. ☐ Consent Agenda Item ☒ Regular Agenda Item
☐ Emergency Item (explain below) ☐ Non-Emergency Item
 5. **Purpose of Agenda Item:** This Resolution directs the Bureau of Internal Business Services and the Bureau of Planning and Sustainability to facilitate a purchase of Renewable Energy Certificates each year on behalf of all City bureaus to achieve 100 percent renewable electricity for City operations.
 6. **History of Agenda Item/Background:** Since the adoption of the City's Energy Policy in 1990, bureaus have prioritized energy efficiency improvements and on-site renewable energy production at City-owned facilities. In 1994, City Council adopted Sustainable City Principles which commit the City to "use resources efficiently and reduce demand for natural resources, like energy. . ." and "act locally to reduce adverse global impacts of . . . ozone depletion and global warming, and support and implement innovative programs that maintain and promote Portland's leadership as a sustainable city."



City of Portland, Oregon | Bureau of Planning and Sustainability | www.portlandonline.com/bps
1900 SW 4th Avenue, Suite 7100, Portland, OR 97201 | phone: 503-823-7700 | fax: 503-823-7800 | tty: 503-823-6868

Printed on 100% post-consumer waste recycled paper.

In addition, three years ago Council adopted the 2009 Climate Action Plan to reduce carbon emissions by 40% by 2030 and 80% by 2050. One action in the 2009 Climate Action Plan—proposed to be completed by 2012—is to purchase or generate 100 percent of all of the electricity required for City operations from renewable sources. This Resolution, if adopted, will meet that goal.

7. **What individuals or groups are or would be supportive or opposed to this action?**
Bureaus have made progress toward this goal, especially with on-site electricity generation, which now provides about 9% of bureaus' electricity needs. Parks, Fire, Water and Transportation each have solar installations; Transportation has solar parking meters and a micro-wind turbine; Environmental Services has a large biogas generator; and Water has micro-hydro generators. In addition, the Bureau of Transportation is moving forward to replace all streetlights in the city with LED fixtures, cutting energy use in half and saving hundreds of thousands of dollars.
8. **How does this relate to current City policies?** Purchasing 100 percent renewable energy will fulfill Action Five in the 2030 Objective 18 of the 2009 Climate Action Plan (Resolution No. 36748).

