RESOLUTION NO. 15-200

RESOLUTION ADOPTING A COMMUNITY CLEAN ENERGY POLICY FRAMEWORK

WHEREAS, On October 23, 2013, Asheville City Council adopted the Resolution 13-228 Supporting Clean Energy Economy; and

WHEREAS, the City of Asheville passed an 80% carbon reduction goal and in 2009 adopted a Sustainability Management Plan to meet that target, and the City is currently ahead of schedule in meeting that goal; and

WHEREAS, supporting a clean energy future for the City and the region requires development of a community energy plan to achieve long term community sustainability and continued economic growth; and

WHEREAS, North Carolina is the only state in the Southeast with a Renewable Energy and Energy Efficiency Portfolio Standard; and

WHEREAS, the City of Asheville calls on Duke Energy Progress to partner with the City to help meet its carbon reduction goals by decreasing reliance on fossil fuels including transitioning from coal to electricity provided by clean, renewable energy sources while continuing to meet the company's obligation to provide affordable and reliable electricity to all customers 24 hours a day, 7 days a week; and

WHEREAS, the City of Asheville calls on Duke Energy to continue and expand its investments in and programs supporting renewable energy, energy efficiency and energy conservation; and

WHEREAS, the City of Asheville values its collaborative working relationship with Duke Energy Progress and looks forward to more success in the future;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

The Asheville City Council approves the Community Clean Energy Policy Framework, supporting continued sustainability efforts including carbon footprint reductions and clean energy economy through a Clean Energy Partnership with Duke Energy.

Read, approved and adopted this 27th day of October, 2015.

Magdalen Burleson
City Clerk

Esther Manheimer
Mayor

Approved as to form:

City Attorney

COMMUNITY CLEAN ENERGY POLICY FRAMEWORK

Last revision July 30, 2015

Introduction & Purpose

Planning for sustainability is the defining opportunity for cities of the 21st century. At the conclusion of the last two annual planning cycles, the Asheville City Council adopted Strategic Plans that integrate economic, social and environmental networks to move the City toward a better future. Working through cultural patterns that result in resource reduction, climatic uncertainty and economic and social pressures requires holistic problem solving that blends the best of policy innovation, best management practices and public participation. The City of Asheville is incorporating economic, social and environmental sustainability in every area of its planning and operations.

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

The purpose of the Clean Energy Policy Framework is to provide a 12- 18 month roadmap for pursuing two key objectives supported by Asheville City Council's policy vision:

> **Objective 1:** Developing a clean energy plan for Asheville, an objective that is longer-term and comprehensive in nature, and;
>
> **Objective 2:** Identifying shorter-term action items for the City's Sustainability Program that can be completed while the clean energy plan is developed, including launching a partnership with Duke Energy Progress.

The City's Sustainability Advisory Committee on Energy and the Environment (SACEE) has already started significant planning and work to support these two objectives, and City Council's adoption of this framework will provide clear direction for next steps. However, this framework is not a static plan but a flexible structure that will evolve and be achieved over time. Ongoing updates and policy decisions will be brought to the City Council once the framework is adopted.

Key Assumptions

1. This framework builds upon Asheville's existing policy context, retaining and expanding current sustainability goals and programs.
2. Specific goals, strategies and tactics have been and will be shaped by stakeholder input so plans have buy-in and a greater likelihood of success over time. Balanced representation of all stakeholders is critical to success. Community and stakeholder input will be inclusive and far reaching to produce the most representative outcome possible.
3. Development of the City's community energy plan will be a part of the community master plan, otherwise known as the Comprehensive Plan, and will be integrated into that process. By including it in the Comprehensive Plan, energy goals will be assimilated with transportation, housing, economic development, community planning and other essential focus areas.
4. A successful community energy plan will require a formal and collaborative partnership between the City and Duke Energy Progress to meet the community's clean energy goals.
5. A successful community energy plan will require formal and collaborative partnerships with other governmental agencies, community groups, businesses and institutions to meet shared clean energy

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

goals. Community-wide partnerships beyond the City of Asheville and Duke Energy Progress will help to achieve comprehensive community goals for clean energy.

6. The policy framework seeks to take the dynamic tension that can result between economic, social and environmental interests and find innovative solutions that place sustainability at the center of all three networks.

Background

In 2009, the City of Asheville adopted a Sustainability Master Plan that focused on municipal energy issues first. Since then, the city reduced the municipal carbon footprint by 25 percent through power-use reduction programs and a move toward better building practices. As the city's municipal energy plan has matured, it has led to more community facing programs and initiatives.

On October 23, 2013, City Council adopted a Resolution calling for a clean energy economy and a partnership with Duke Energy Progress to help meet carbon reduction goals. Asheville City Council adopted the Resolution with six action items:

1. Support a local clean energy future for the City and the region;
2. Call on Duke Energy Progress to partner with the City to help meet its carbon reduction goals by decreasing reliance on fossil fuels including transitioning from coal to electricity provided by clean, renewable energy sources while continuing to meet the company's obligation to provide affordable and reliable electricity to all customers 24 hours a day, 7 days a week;
3. Call on Duke Energy to continue and expand its investments in and programs supporting renewable energy, energy efficiency and energy conservation;
4. Call on Duke Energy to stop the spread of coal ash pollution and remediate existing coal ash pollution;
5. Develop a Clean Energy Partnership Progress Report that documents the achievements of this new partnership with Duke Energy, and;
6. Seek input from a variety of stakeholders when identifying collaboration opportunities for this partnership, which was adopted as an amendment to the Resolution as it was presented (this was added as an amendment to the resolution by Mayor Terry Bellamy as reflected in the meeting minutes).

After the Resolution was adopted, staff began working on plans for implementing these action items. The City's Sustainable Committee of Energy and the Environment (SACEE) formed a "Clean Energy Task Force" and invited community stakeholders to participate. Two input sessions were held in August and September 2014. During the first input session, participants were asked to brainstorm action items to support a community clean energy initiative based on broad categories like "strengthening existing programs", "new programs", "communication", etc. After the first session, a survey was sent to participants to prioritize the action items that were identified. The second session was dedicated to reviewing the prioritization of action items. This work can be used as a foundation for the upcoming Comprehensive Plan scope and process. It has also been used to form recommendations for the short-term action items for the City/Duke Energy Progress partnership plan.

Soon after these initiatives, the City experienced turnover in it Sustainability Officer position. This framework is picking up from that point to provide a road-map for completion of the work that was started.

A more comprehensive background of the City's sustainability efforts is briefly summarized in the table below.

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

Date	Milestone	Notes
February 2005	Asheville signs U.S. Mayor's Climate Protection Agreement	Asheville pledges to reduce carbon emissions from city operations and the community at large consistent with the Kyoto Protocol
Fall 2006	Asheville City Council forms the Sustainable Advisory Committee on Energy and the Environment (SACEE)	Directed to develop recommendations on energy conservation goals for city operations and on LEED standards for new city buildings
April 2007	City Council adopts carbon emission reduction goals and set LEED standards for new city buildings	• Committed to reducing carbon emissions by 2% per year until the city reaches an 80% reduction from baseline year 2001-02 emissions. • City-owned buildings greater than 5,000 square feet will adhere to the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) certified "Gold" standard. • New city buildings less than 5,000 square feet will achieve the LEED "Silver" standard.
2008	Sustainability Officer position is created	
June 2009	Sustainability Master Plan is adopted	• Primary focus on municipal carbon footprint and city operations
July 1, 2009	Asheville implements building permit and plan review fee rebates to incentivize sustainable development	
2010	City Council doubles carbon emission reduction goal	• Committed to reducing carbon emissions by 4% per year for a total of 20% over the next five years
November 2010	City Council adopts a Land Use Incentive and Density Bonus Policies	• Offers density bonuses, permit fee rebates and grants in the form of property tax refunds to development projects that meet "green building," affordability and transit orientation standards
2011	City launches the Green Capital Improvement Program and LED Streetlight Project	• 7,400 fixtures upgraded over a three-year period with energy efficiency LED technology, reducing the municipal carbon footprint by about 8% • Savings generated by streetlight upgrades are reinvested in additional energy efficiency and sustainability programs
2011	City phases in automated meter reading project in the Water Resources Department	
2011-2013	City replaces transit bus fleet	• Includes five hybrid buses
2012	"Blue Bin" single stream recycling program is launched	• Achieves 6.5% reduction in landfill waste

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

October 2013	City Council adopts Resolution Supporting a Clean Energy Economy	• Calls for partnership with Duke Energy Progress to further energy efficiency goals
2014	City switches from B-5 to B-20 biodiesel for municipal fleet and buses	• Accounts for about 40% of year-over-year carbon footprint reduction
2014	City Council adopts Resolution Establishing Solid Waste Reduction Goal	• Goal: 50% Reduction of total residential MSW sent to the landfill by year 2035
2015	City to hire new Planning Director and Sustainability Officer	• These two positions are critical for moving the Comprehensive Plan and sustainability efforts forward
2015	City to issue RFP for services to complete the Comprehensive Plan update	• Plan slated for completion in 2016-2017

OBJECTIVE 1: Develop a Clean Energy Plan

Over the next 18 months, Asheville will develop an updated Comprehensive Plan for the community. The vision for that plan is one that incorporates economic, social and environmental sustainability in every area of the City's planning and operations. The City's Comprehensive Plan process will incorporate a community-wide participatory process for developing measurable goals, objectives and action items. It will be a far-reaching process that sets the vision for Asheville's future over the next 20 years.

Staff is recommending that community energy planning be a part of the City's Comprehensive Plan. The nature of the plan as well as the process provide an optimal opportunity to integrate energy planning into the fabric of the community's future.

Staff also recommends that a Comprehensive Plan Advisory Committee be formed including representatives from key boards and commissions, including a representative from SACEE, to: (1) serve in an advisory role to the Asheville City Council for policy issues that arise in the planning process, (2) to communicate progress and updates to the Boards and Commissions on which representatives serve, (3) monitor and assist in the public participation process and (4) promote interest, involvement and expertise in the Comprehensive Plan.

OBJECTIVE 2: Pursue ongoing sustainability priorities while the Energy Plan is created

Priority 1: Launch a clean energy partnership with Duke Energy Progress

While the Comprehensive Plan process and the associated community energy plan components are a longer term initiative, the City's partnership plan with Duke Energy Progress can begin this year. This summer, city government and citizens would like an opportunity to participate in helping to shape the WNC Energy Modernization Plan with Duke.

In the first year, the organizations can focus on maximizing the installation of energy efficiency projects to reduce commercial energy usage (measured by actual usage compared to anticipated projected usage using specific growth assumptions) by launching a pilot program to target high development areas like the city's Innovation Districts. The pilot program consists of three key components: Training and Outreach; Business Support, and; Recognition and Data, Metrics and Reporting.

- **Training, Technical Assistance and Outreach**

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

- Partner with Duke to provide training for city staff in the City's Development Services Center on existing Duke programs so that staff can promote and explain programs during application phase of projects; staff would prioritize the time and effort in promoting these programs for projects in the target Innovation Districts
- Partner to offer information, training and technical assistance to contractors, installers and developers on existing Duke Energy and City programs (i.e., lunch and learn type trainings for local contractors and others)
- Educating developers and contractors on renewable energy opportunities
- Utilize a City intern to continually offer training, technical assistance and outreach programs during the year in target areas
- Expand Duke's "My Home Energy Report" program to commercial properties so property owners are informed about their energy usage along with ways to be more energy efficient through friendly competition and comparison

- **Business Support and Recognition**
  - Participate in the Asheville Green Business program
  - Join Better Buildings Challenge together, Duke as an Utility Ally and the City as a Community Partner

- **Data, Metrics and Reporting**
  - Establish a baseline energy assessment for the City's Innovation Districts along with a measurable goal to reduce energy consumption from expected growth in usage
  - Establish a goal number of energy efficiency projects to be implemented in the target areas
  - Participate in an annual Community Energy Plan report to the Asheville City Council; to include:

    (1) Expansion on investment in programs supporting renewable energy, and

    (2) Stopping the spread of coal ash and coal ash remediation

Priority 2: Continue strategic programs and efforts over the next 12 - 18 months through the Sustainability Office's work plan in order to continue to meet the City's energy reduction goals while gradually expanding into community energy reduction initiatives.

While the Comprehensive Planning gets underway and the Duke partnership is launched over the next 12-18 months, the City of Asheville Sustainability Program will continue to work toward specific objectives in addition to the action items above. These include but are not limited to:

- Pursuing opportunities for renewable energy installations on city facilities
- Setting a schedule, milestones and resources to complete building automation in public facilities
- Completing a feasibility study for upgrading downtown decorative street lighting to LED technology
- Developing recommendations for development incentives, including grants, for renewable energy and energy efficiency projects in Innovation Districts
- Implementing a communications strategy that supports the short term action items

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

Action Plan				
	Action	Description	Timeline	City Staff Liaison
1	Adoption of Community Clean Energy Policy Framework		Energy Task Force and SACEE in July; PED Committee in Summer 2015; City Council adoption Fall 2015	Sustainability Office
2	Energy Modernization Plan input	Launch a process by which city government and citizens can participate in planning for the WNC Energy Modernization Plan with Duke.	Summer 2015	Sustainability Office
3	Hire a Sustainability Officer, Planning Director	Fill key positions for implementing the city's Comprehensive Plan update and community energy initiatives	Summer 2015	Executive Director
4	Adoption of 12-month partnership agreement with Duke Energy Progress	Partnership Memorandum of Understanding that outlines activities over the next 12 months	City Council adopts MOU Fall 2015	Executive Director Sustainability Office
5	Expand the "My Home Energy Report" to Commercial customers	Duke Partnership	By September 2015 (target dependent on NC Utilities Commission)	Sustainability Office
6	Establish Comprehensive Plan Advisory Committee	Includes representatives from key Boards and Commissions including SACEE	Fall 2015; appointed by PED Committee	Planning & Urban Design Department
7	Establish baseline data goals and reporting expectations	Duke Partnership	Winter 2015	Sustainability Office
8	Provide training sessions to City staff on clean energy programs	Duke Partnership/ Includes existing Duke & other relevant programs	Winter 2015	Sustainability Office Development Services Department
9	Initiate intern or volunteer for community outreach	Duke Partnership	Winter 2015	Sustainability Office

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

10	Provide training sessions to contractors, installers, developers	Duke Partnership/Includes existing Duke & other relevant programs	Winter 2015	Development Services Department Sustainability Office
11	RFP for Comprehensive Plan update	Process for updating the City of Asheville's 2025 Plan	Contract awarded by September 2015	Planning & Urban Design Department
12	Downtown Decorative LED Street Lighting Study	Complete a feasibility study for upgrading downtown decorative street lighting to LED technology	Fall 2015	Sustainability Office & Transportation Department
13	Launch Green Business Recognition Program	Partnership with the Chamber of Commerce and Duke	Launch website and self-assessment toolkit in 2016	Sustainability Office
14	Annual energy plan report to City Council	Duke Partnership	Fall 2016	Sustainability Office
15	Comprehensive Plan target completion		Fall 2016	Planning & Urban Design Department
16	Pursue opportunities for renewable energy installations on City facilities		2016	Sustainability Office
17	Develop plan for building automation throughout City facilities	Setting a schedule, milestones and resources to complete building automation in applicable City facilities	2016	Sustainability Office & General Services Department
18	Innovation District energy incentives	Develop recommendations for development incentives, including grants, for renewable energy and energy efficiency projects in Innovation Districts	2016	Sustainability Office & Community and Economic Development Dept, Planning & Urban Design Dept
19	Launch Better Buildings Challenge	Department of Energy sponsored program to help businesses and building owners reduce energy usage	2016	Sustainability Office
20	Explore required actions for PACE Implementation	Property Assessed Clean Energy (PACE) financing mechanism	2016	Sustainability Office

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

Addendum A: Prioritized Action Items from Clean Energy Task Force

Ranked Order	ACTION ITEM IDEA	Energy Efficient Buildings	Renewable Energy Systems	Energy Conservation	Power Generation and Transmission
1	Revisit building permit fee rebates to create stronger financial incentive for residential and commercial renewable and energy efficiency projects	X	X		
2	Offer technical assistance for commercial businesses in the incentive application phase	X	X		
3	Participate in the Department of Energy Better Buildings Challenge which establishes a goal for commercial building energy savings and creates partnerships with building owners to reduce energy usage	X	X		
4	Revisit existing city green building development incentives to make more impactful in terms of energy use and use by development community	X			
5	Be an active leader in state, national, and international building code decision making in order to pursue increasing energy standards in the building code	X			
6	Provide property tax incentives for commercial renewable and energy efficiency projects	X	X		
7	Provide trainings for contractors and installers to educate about programs and incentives and provide rewards program for successful referrals	X	X		
8	Provide property tax incentives for residential renewable and energy efficiency projects	X	X		
9	Create a communications and marketing campaign to educate about energy saving opportunities	X		X	
10	Implement a green business recognition program	X	X	X	
11	Create utility based small scale PV incentives		X		
12	Provide upfront financing options to reduce the initial cost barrier to invest in clean energy solutions	X	X		
13	Actively work to tell city, utility, and private sector success stories related to clean energy solutions	X	X	X	
14	Offer technical assistance for residents in the incentive application phase	X	X		
15	Actively engage in clean energy dockets at the public utility commission (ex: IRP, energy docket, etc.)	X	X	X	
16	One stop shop website for incentives, PSA's, programs, and projects	X	X	X	
17	Provide technical assistance through free energy audits to targeted energy users	X	X	X	
18	Pursue state enabling legislation for commercial PACE programs	X	X		

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

Ranked Order	ACTION ITEM IDEA	Energy Efficient Buildings	Renewable Energy Systems	Energy Conservation	Power Generation and Transmission
19	Provide on bill energy consumption comparisons with similar users in close proximity			X	
20	Conduct survey of development service center clients to understand their zoning and permitting barriers to implementing clean energy solutions	X	X		
21	Advocate for third party lease of renewables		X		
22	Provide technical assistance for using the EPA's Energy Star Portfolio Manager software to large users to improve their ability to analyze their energy usage			X	
23	Offer expedited permit review for renewable energy projects and select energy retrofits for residential and commercial projects	X	X		
24	Establish a rate or loan for real time data sensors/displays starting with large consumers			X	
25	Make educational information about energy incentives and programs available at the development services center	X	X		
26	Pursue adopting a solar ordinance to make permitting easier for solar farms (reference Buncombe County's)		X		
27	Implement a green neighborhood recognition program	X	X	X	
28	Design a program specific to property owners with renters	X	X	X	
29	Conduct business sector based competitions to motivate energy improvements	X	X	X	
30	Implement a neighborhood based energy conservation competition			X	
31	Provide educational training to city development service center and planning staff about existing utility and city incentives	X	X		
32	Expand the energy taskforce to a broader group in order to have greater impact				
33	Convene businesses providing clean energy solutions and create a local marketing campaign to promote the products and services of this local business sector	X	X		
34	Include Asheville based representatives in corporate utility sustainability planning processes			X	
35	Design a program specific to small businesses who rent their space	X		X	
36	Design a program specific to residential renters	X		X	
37	Provide incentives and/or revisit existing rates for users to shift their energy use to off peak times			X	
38	Provide education and marketing to people about energy saving products and services at the point of sale such as in hardware stores	X		X	

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.

Ranked Order	ACTION ITEM IDEA	Energy Efficient Buildings	Renewable Energy Systems	Energy Conservation	Power Generation and Transmission
39	Provide power plant fuel mix information available on regular basis				X
40	Design an energy retrofit incentive specifically for mobile homes	X			
41	Establish an energy efficient stretch code that is above and beyond state code and offer incentives for those who choose to meet it	X			
42	Create a cash for clunkers program to incentivize upgrading appliances	X			
43	Create an educational campaign about conservation opportunities to reduce peak load demand			X	
44	Host an energy awareness week and rally			X	
45	Provide clean energy cost sharing opportunities as economic development incentives for recruitment of businesses	X	X		
46	Make access to personal utility data available through mobile interfaces			X	
47	Establish K-12 energy projects and competitions	X	X	X	
48	Implement a text message based marketing campaign to connect with residents who lack regular access to the internet			X	
49	Move towards cloud based user data sharing of utility data			X	
50	Create a local listserv or blog focusing on the economics of saving energy. Small business focus.	X	X	X	
51	Research net metering and develop a policy recommendation and strategy to be involved in state level conversations		X		
52	Participate in state conversations about enabling legislation for wind turbines		X		
53	Establish a carbon offset fund that raises money for small scale neighborhood energy projects	X	X	X	
54	Review the utility franchise agreement for opportunities to improve clean energy				X
55	Research energy storage technologies and serve as a pilot testing community		X		
56	Research opportunities and establish partnerships to install combined heat and power systems	X			

For the purposes of this document, the term *clean energy* refers to energy efficiency, energy storage, renewable energy, demand side management, and pollution prevention in the energy sector.