



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: June 21, 2021

Re: Setting a public hearing: 2021 Renewable Energy Plan

## Executive Summary

Staff has prepared for Council consideration a resolution setting a public hearing for July 6, 2021, concerning review and approval of the 2021 Renewable Energy Plan. The renewable energy mandate passed by voters in 2004 and modified by council in 2014 requires that each year prior to February 1, Columbia Water & Light publicly release a Renewable Energy Plan outlining compliance with the ordinance. This year's plan provides details on the amount of renewable energy provided, descriptions of current and future projects and the forecast for the 2021 and future year renewable energy portfolio. Staff reports that 15.41% of all energy sources for 2020 electric retail usage was provided by the 2020 renewable portfolio, exceeding the goal of 15%.

The 2021 Renewable Energy Plan was publicly released January 29, 2021. It has been reviewed by the Water & Light Advisory Board and the Climate & Environment Commission. Ordinance requires a public hearing and a vote to approve the plan.

## Discussion

Columbia Water & Light has been pursuing renewable energy sources since the mandate was passed by voter approval in 2004. The following is a list of the renewable energy quantities for 2020:

- Bluegrass Ridge Wind ----- .77%
- Crystal Lake Wind ----- 9.18%
- Columbia Landfill Gas ----- 1.32%
- Jefferson City Landfill Gas ----- 2.08%
- Photovoltaic ----- .34%
- Minnesota Wind Energy – Wind REC---- 1.71%

Renewable Energy Total: 179,780 megawatt hours or 15.41%

As outlined in Section 27-106(b) of the Renewable Energy Standard Ordinance, renewable energy cannot cause electric rates to increase more than 3% above what rates would be with non-renewable energy. Based on the methodology detailed in the Renewable Energy Plan, current renewable energy resources have 70.29% of the allowed impact or a 2.1% impact on rates.

As required by the Ordinance, the report has been reviewed by the Water & Light Advisory Board and the Climate & Environment Commission. Their comments are included with this memo.



Since the presentation of the Renewable Energy Plan to the Water & Light Advisory Board and Climate and Environment Commission, staff has been made aware of changes that affect outcomes of the 2021 Renewable Energy Plan. Information received from the Municipal Public Utility Alliance suggests a delay in the delivery of Ironstar Wind from 2024 to 2025 as a result of ongoing legal action. Additionally, after reviewing the 2020 renewable and non-renewable energy numbers, staff updated the December 2020 cost and production quantities from Sikeston, which is the basis for non-renewable cost calculations. The result of this change is as follows:

- The cost for renewables changed from \$2,213,152 to \$2,621,276.41 in the final report.
- The percentage of the allowed costs of renewables was raised from 59.34% to 70.29%
- The average cost per MWH for renewables dropped from \$36.51 to \$36.22
- The average cost per MWH for non-renewables dropped from \$25.86 to \$23.25

The accompanying Renewable Energy Plan has been updated to reflect these changes.

## Fiscal Impact

Short-Term Impact: NA

Long-Term Impact: NA

## Strategic & Comprehensive Plan Impact

### [Strategic Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

### [Comprehensive Plan Impacts:](#)

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

## Legislative History

Date	Action
11/02/2020	R141-20 Setting a public hearing; consider the Water and Light 2020 Renewable Energy Report
05/20/2019	R73-19 Setting a public hearing; consider the Water and Light 2019 Renewable Energy Report
05/07/2018	R65-18 Setting a public hearing; consider the Water and Light 2018 Renewable Energy Report
04/03/2017	R41-17 Setting a public hearing; consider the Water and Light 2017 Renewable Energy Report
04/18/2016	R41-16 Setting a public hearing; consider the Water and Light 2016 Renewable Energy Report

## Suggested Council Action

Set a public hearing for the 2021 Renewable Energy Plan.